PLAYERS NETWORK
Form 10-K
April 20, 2009

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

FORM 10-K

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

For the fiscal year ended December 31, 2008

Commission file number: 000-29363

PLAYERS NETWORK
(Name of small business issuer in its charter)

Nevada	88-0343702
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

4260 Polaris Avenue
Las Vegas, NV 89103
(Address of principal executive offices including zip code)

Issuer's telephone number: (702) 895-8884

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, Par Value $.001
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes o No x

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes o No x

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 x No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant’s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	o	Accelerated filer	o
Non-accelerated filer	o	Smaller reporting company	x

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant, as of June 30, 2008, was approximately 812,855.20. All executive officers and directors of the registrant have been deemed, solely for the purpose of the foregoing calculation, to be "affiliates" of the registrant.

As of April 9, 2009, there were 37,865,701 shares of the issuer's common stock, $0.001 par value per share, issued and outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains "forward-looking statements" about our business, financial condition and prospects based on our current expectations, assumptions, estimates, and projections about us and our industry. All statements other than statements of historical fact are "forward-looking statements", including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objections of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions or performance; any statements or belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements may include the words "may," "could," "estimate," "intend," "continue," "believe," "expect" or "anticipate" or other similar words. These forward-looking statements present our estimates and assumptions only as of the date of this report. Unless otherwise required by law, we do not intend, and undertake no obligation, to update any forward-looking statement.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties. The factors impacting these risks and uncertainties include, but are not limited to:

- increased competitive pressures from existing competitors and new entrants;
- general economic and business conditions, and trends in the travel and entertainment industries;
- trends in hotel/casino occupancy rates and business and leisure travel patterns, including the potential impacts that wars, terrorist activities, or other geopolitical events might have on such occupancy rates and travel patterns;
- uncertainties inherent in our efforts to renew or enter into agreements on acceptable terms with our significant hotel/casino customers;
- the regulatory and competitive environment of the industry in which we operate;
- the potential impact that any negative publicity, lawsuits, or boycotts by opponents of gaming or other gaming related activities distributed by us could have on the willingness of hotel/casino industry participants to deliver such content to guests;
- the potential for increased government regulation and enforcement actions, and the potential for changes in laws that would restrict or otherwise inhibit our ability to make gaming related programming content available over our network systems;
- increases in interest rates or our cost of borrowing or a default under any material debt agreements;
- deterioration in general or regional economic conditions;
- loss of customers or sales weakness;
- competitive threats posed by rapid technological changes;
- uncertainties inherent in our ability to execute upgrades of video systems, including uncertainties associated with operational, economic and other factors;
- the ability of vendors to deliver required equipment, software and services;
- inability to achieve future sales levels or other operating results;
- the unavailability of funds for capital expenditures; and
- operational inefficiencies in distribution or other systems.

For a detailed description of these and other factors that could cause actual results to differ materially from those expressed in any forward-looking statement, please see "Risk Factors" in this document.

In this form 10-K references to “PLAYERS NETWORK”, “the Company”, “we,” “us,” and “our” refer to PLAYERS NETWORK.

PART I

ITEM 1. BUSINESS

Overview

Players Network was incorporated in the State of Nevada in March of 1993. Players Network is a global media and entertainment company engaged in the development, production, distribution and marketing of television programs and internet broadcasting about the Las Vegas and Gaming Lifestyles, and other related entertainment themes.

With an emphasis on unique, high-quality programming that captures the excitement, passion, enjoyment, sex appeal, entertainment, information, celebrity, and the non-stop adrenaline rush of the Las Vegas Gaming Lifestyle, Players Network's content goes beyond poker, casino action, sports betting, and racing, to lifestyle programs about entertainment and fine living, attracting the young and the sophisticated viewers who view digital content most.

Much of Players Network's programming is educational, involving experts helping viewers become smarter gaming consumers, so when they visit a casino they have the best chance possible to win. Many shows are celebrity driven, since so many celebrities in movies and music, TV and sports come to Las Vegas to play.

Players Network programming is conceived and produced to create successful advertising, cross-promotional and marketing opportunities for distributors and sponsors by engaging this highly targeted, desirable audience in programming that excites them.

Market Opportunity

The technology of media distribution and the digital revolution is rapidly changing in regards to the way consumers' access television content. Instead of scheduled programming, video can now be viewed "On Demand" through digital cable television and satellite networks, broadband internet, and by downloading content to mobile and wireless devices such as MP3 players, cell phones and PDAs.

Programming is becoming more targeted to specific consumer groups who want to watch specific content at their convenience
According to the American Gaming Association, more than $70 billion is spent annually on gaming and gaming-related activities and entertainment in the United States alone. The Las Vegas Visitor and Convention Authority also reports that at least 40 Million people visit Las Vegas and other U.S. gaming venues every year.

Players Network develops, produces, acquires and distributes a wide range of original, high-quality lifestyle television programming to serve consumers interested in gaming and entertainment, and activities associated with, or surrounding gaming. Our programming focuses primarily on Las Vegas, but also includes gaming lifestyle programming worldwide. The Company's proprietary productions include gaming instruction, gaming news, instruction on sports and racing wagering, gaming entertainment, tournaments, events and travel.

By selectively aggregating the broadest aspects of life and leisure time activities that make up the diverse "Gaming Lifestyle" category, Players Network has defined a unified, integrated, mainstream category whose wide-ranging participants' appetite for content, merchandise, experiences, information and services has yet to be met. This Gaming Lifestyle Category encompasses all forms of gambling, but also includes travel, entertainment, fine living, instruction, information, tournaments, news, and more. As much of the content as possible is celebrity driven.

Players Network believes that it is the only company in the world that has developed a media network dedicated solely to this Gaming Lifestyle market. We believe that the changes in the media marketplace, and Players Network's early adaptation of Gaming Lifestyle and Las Vegas entertainment media, which in the past several years has gained more mainstream acceptance than ever before, has positioned Players Network to become a leading provider of programming to this lucrative market.

During the last three years we have built a substantial distribution base with major partners that are now delivering Players networks programming in over 22 million homes. This has allowed the company to become one of the first new content companies to establish itself as a leader in new media distribution. The company has built relationships in the Video on Demand ("VOD") and internet protocol television ("IPTV") space, by signing distribution agreements with Comcast, AT&T, Verizon, Direct TV and Dish Network. As part of the Company's agreements, Players Network retains the rights to all advertising revenue earned by its programming. In addition to television households, the company has signed distribution and revenue sharing agreements with Sling media, Hulu.com and Blinkx in the rapidly expanding IPTV market.

In August 2007 Players Network received its first corporate sponsorship from IGT International Gaming Technologies to sponsor and co-produce a television series called, “Winners and Jackpots.” The television series is about winning life changing money, and what the winners of large jackpots do with their winnings, in addition to, the impact it has on their lives. The sponsorship included an initial deposit and a per show production fee.

In November 2005, we entered into an agreement with Comcast Communications pursuant to which we began offering our original, proprietary programming through a dedicated VOD television channel to Comcast digital subscribers. In our first month of broadcasting, over 32,000 of the Company’s videos were viewed by Comcast subscribers, and by the end of 2008, Comcast subscribers had viewed over 1.4 million of the Company’s videos. Comcast’s digital distribution has now expanded to just over 16 million television homes. Combined with its Broadband distribution, Players Network’s content is now being viewed in excess of 3 million times per month. Comcast estimates that its Video-on-Demand service, including Players Network, will be available in approximately 21 million homes by the end of 2009, which we believe will exponentially increase the number of Players Network’s videos that are viewed, and as a result, make our programming inventory more valuable to sponsors.

The Company intends to keep expanding its new media distribution platforms and continue its production of original programming for its own distribution platforms, while also expanding its distribution through partnerships with additional new and traditional media companies in areas that include cable television, broadcast and satellite television, Pay-Per-View, DVD distribution, television syndication, including more broadband, downloadable devices and mobile devices, additional land-based locations, in-flight venues, and on-board sources. The Company plans to generate new revenues from sponsorship, advertising, content licensing, subscriptions and live events through video chat and commerce.

During 2007, this change in the Company's business strategy has increased and is expected to continue to increase the Company's production costs for the near future. There can be no assurance that the Company will be successful in implementing its new strategy, or that it will be able to achieve positive cash flow or profitable operations. See "RISK FACTORS - THE CURRENT CHANGE IN OUR BUSINESS FOCUS PRESENTS A NUMBER OF CHALLENGES AND MAY NOT PROVE TO BE SUCCESSFUL OR CAUSE US TO BECOME PROFITABLE." However, the Company believes that strong market indicators, including the ability of 58 million households to access the Company's content, maximizes its chance for success. In addition, television reporting and ratings giant Nielsen has began to conduct beta testing with Comcast and will soon develop a rating system for VOD advertisers, including Players Network's channel.

Content/Programming
Our content is highly creative, entertaining, informative, authoritative, sometimes edgy, and always credible, featuring knowledgeable celebrities from the worlds of gaming, entertainment and business as program hosts and participants. We are also developing our own on-air personalities.

We emphasize quality entertainment that captures the excitement, passion, enjoyment, sex appeal, entertainment, information, celebrity, and the non-stop adrenaline rush of the Gaming Lifestyle. Our content is divided into five main categories:

- Gaming (casino action, poker, sports and racing, card & board games, lotteries);
- Entertainment (Vegas-style shows, concerts, comedy, theater, nightclubs, gambling-themed specials, movies and television series);
- Events (tournaments, competitions, conventions, parties);
- Instruction, information, reality shows and profiles (games & gaming education, news & information, gambling-themed documentaries, biographies, etc.); and
- Lifestyle (travel, leisure and fine living, shopping, dining, cars, electronics, fashion, problem gambling, etc.)

The development of Players Network's programming is led by Michael Berk, who is one of Hollywood's most successful television producers. Michael Berk has created over 500 hours of network television that includes five television series. Mr. Berk is best known for his series "Baywatch", which he created and for which he was the Executive Producer for twelve years. Baywatch is distributed in 144 countries and is in the Guinness World Book of Records as the most watched television show in history.

We have a library of 1,250 gambling and gaming lifestyle videos, including several new series of both long and short form content. Some of these series include Players Network originals; Hidden Vegas, Tattoo Tails that include 30 originally produced hours of programming from the World Series of Poker(R), which Players Network had the exclusive rights to produce and air live. In 2006 Players Network produced over 50 videos at the Hooters Hotel and Casino, 28 new gaming instructional videos aimed at slots and video poker players, a series of 23 videos on magic entitled “Hocus Pocus”, The “Best of Vegas” series, “Neon Buzz”, an entertainment report that covered red carpet events and many more. Our growing programming library is an asset which represents long-term revenue opportunities in advertising, sponsorship, direct sales and product integration, domestic and international program sales, broadband syndication, subscription fees and increased home video sales.

Strategy

Players Network’s goal is to build the dominant media, marketing and merchandising brand in the Las Vegas and Gaming Lifestyle Category by:

- Creating a brand identity as “the trusted name in gaming entertainment, education, information and services” that addresses the full spectrum of audience demographics within the Gaming Lifestyle Category;

- Building an ever-expanding, valuable library of entertainment, instruction and information content that appeals to the “Player” in everyone for distribution on all platforms;

- Leveraging our various distribution channels as a mechanism to attract people with gaming interest with the goal of building a strong customer base and community;

- Gaining a broad and diversified audience base through its distribution arrangement with Comcast as well as other distribution channels, including linear programming via digital cable, internet and broadband, wireless, packaged media, video games, mobile media through cell phones and I-pods, radio, publishing, and IPTV. In 2006 we entered into agreements with Google/Google.UK and Yahoo that enables us to distribute our content through sites operated by Google and Yahoo, including YouTube. In 2008 the company added Hulu, Blinkx and Sling media to its broadband partnership platforms.

- Harnessing the power of the media in order to provide customized media solutions and marketing services for key Lifestyle Category companies, principally major Las Vegas Casino Properties. Players Network uses its strong relationships in the Gaming Industry to lock in special trade relationships that can contribute to content, advertising, VIP Services, and club amenities which will solidify Players Network’s credibility in the category;

- Grow the Company’s robust, proprietary database of gaming enthusiasts, and create lifestyle communities by offering deals, discounts, and prizes to its customers, while marketing its strategic partners and sponsors;

- Offering advertisers a new content category with creative cross-platform advertising/sponsorship packages, at reasonable rates, in an environment of unique, sexy content surrounded by sizzling attitude, that delivers desirable demographics;

- Expanding its production and operations infrastructure to include a Digital Asset Management System (DAMS) that will enable Players Network to: 1) accommodate any distribution platform immediately, 2) manage and fully exploit the value of all produced and acquired content in Players Network’s own library (and for third-parties with digital assets) including re-purposing content for all platforms

- Continuing to build a lean management team with proven experience that can move quickly, control costs, rapidly create a broad range of high-quality content, and leverage significant, long-term relationships in the media, entertainment and gaming industries allowing the company to accelerate its market leadership.

Distribution

We distribute our gaming lifestyle media programming through a variety of media platforms, including Video on Demand, broadband/Internet, Satellite television, Cable Television, packaged media, and on our proprietary website. Through our new dedicated channel available through Comcast, we intend to deliver live and taped original television series, live pay per view events, mobile and internet content down loading, information segments and interactive content. The channel’s expanded programming will include popular poker programs, reality shows, game shows, documentaries, talk shows and special events on the gaming lifestyle. In the fall of 2006, we launched our Players Network channel by upgrading the content and production value and changed the Electronic Programming Guide (EPG) to Vegas on Demand. This change immediately increased our viewership substantially.

Video on Demand (VOD)

In 2005 the Company entered into an agreement with Comcast Communications pursuant to which its content is broadcast over a dedicated channel available to Comcast's digital subscribers through its "Select on Demand" services.

This service allows consumers to select from a menu of available programs for viewing at any time. Players Network is required to provide a certain amount of content and refresh it periodically. The Company is seeking sponsorship and advertiser support, including merchandising, to generate revenues.

Players Network’s agreement with Comcast is an invaluable asset in the growth of the Players Network brand. It is a cost-effective way in which to launch a cable channel on the largest cable network in the world. Traditional cable channels can cost hundreds of million of dollars to launch, however, Players Network’s agreement with Comcast provides that Comcast pays for all distribution costs associated with the distribution of Players Network’s content. All Players Network has to pay for is the content and marketing. This represents a huge net savings to the Company.

Comcast projects that its digital cable service, including the Players Network Channel, will have over 36 million subscriber households by 2010.

Broadband/Internet

The Company's goal is to be the all-encompassing resource for gaming enthusiasts and novices alike, providing them with gaming and gambling entertainment, education, information, services, and everything else related to the Gaming Lifestyle.

The Company is continuously seeking advertiser and sponsorship support with some premium content available to consumers for a fee. As brand awareness grows through advertising and major industry tie-ins, the Company will seek to become an aggregating portal for other gaming sites.

Players Network intends to heavily market and cross-promote its website and the Company is actively exploring additional relationships through the social media networks, such as Face Book, My Space and Twitter.

The Company also believes there is a great opportunity to provide content to and share content with other internet gaming-related information, data, entertainment, gambling and educational sites. Players Network intends to use its website to develop gaming lifestyle communities, then offer the members of these communities live video events, information services, discounts, travel, commerce, etc., as well as instant messaging, chat, comments, reviews and perspectives from consumers on a variety of topical subjects.

International Television

In creating a truly global brand, Players Network plans to take advantage of opportunities for channel and programming distribution outside of the U.S. on both full channels and as programming blocks on existing services.

As the Company begins its program sales efforts to license individual programs and series to overseas distributors, it will have the advantage of determining the specific global distribution partners with which it desires to develop deeper, longer-lasting linear channel relationships.

Key international distribution targets are Cable & Wireless, UPC and BskyB Europe, Cable & Wireless/Optus, Foxtel and Austar, Australia, CBC and TV Ontario, Canada, UniVision, Cisneros, Latin America and others. Additionally, the Company will begin discussions with potential distribution partners in China and Japan.

Packaged Media

The Company will continue from time to time to produce and sell its programming in a DVD format; however, as the world converts to digital media that is downloadable, packaged media will become increasingly obsolete.

Mobile

Mobile is an exciting method to reach a growing 21+year-old audience, passionate about gaming, and not yet brand-loyal. In 2005, Players Network conducted a pilot test during The World Series of Poker through a mobile aggregator who processed our messages to Cingular/ATT, Verizon, T-Mobile, and Sprint/Nextel customers. Players Network is continuing to explore expanding into the mobile content industry.

Players Network intends to continue to seek opportunities to distribute its content through video and screen saver downloads to mobile devices. Mobile Video Downloads of short 45 to 60 second clips with little dialogue so that the content will translate across all languages, and Still Photos captured from videos as screen savers, is anticipated to be a fast emerging market that the company plans to monetize with its content.

In the first quarter of 2008 the company entered into an exclusive mobile distribution agreement with Budai gaming. The agreement called for Budai, upon funding a minimum of $1.5 million dollars, pay Players network $15,000 per months, plus 15% ownership in the company. Budai Gaming has not yet obtained the minimum funding.

Broadcast Television

Players Network signed an agreement with Buzz TV to “nest” programming through Buzz TV’s 121 million European homes. Players network retained the rights to expand it programming to a primetime (channel available six hours per night) each night.

COMPETITION

Although we are unaware of any other company that is aimed exclusively at the gaming lifestyle market, we face intense competition from a variety of other companies that develop and distribute gaming lifestyle content, including (i) full service in-room providers, (ii) cable television companies, (ii) direct broadcast satellite services, (iv) television networks and programmers, such as ESPN, the Travel Channel, E!, the Food Network; (v) Internet service providers, (vi) broadband connectivity companies, and (vi) other telecommunications companies. In addition, our services compete for a viewer’s time and entertainment resources with other forms of entertainment.

We believe that the primary competitive factors affecting our operations include our distribution agreements, brand recognition, the quality and extent of our content (we have built a significant video library of over 850 short and long form segments); our understanding of our market and our ability to develop content geared to our chosen market (we have developed and acquired market research studies that validate our audience’s demands and we have a reserve of writers, producers and directors who understand television, the casino industry and the gaming lifestyle market). Over the past 15 years Players Network has built substantial relationships and gained the trust and respect of Las Vegas casinos, gaming manufacturers and the gaming community in general, and has developed a Las Vegas based production infrastructure to support our operations.

GOVERNMENTAL APPROVAL AND REGULATION

Players Network does not believe that any governmental approvals are required to sell its products or services. The Communications Act of 1934, as amended by the Cable Communications Policy Act of 1984, the Cable Television Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996, governs the distribution of video programming by cable, satellite or over-the-air technology, through regulation by the Federal Communications Commission (“FCC”). However, because Players Network’s video distribution systems do not use any public rights of way, they are not classified as cable systems and are subject to minimal regulation. Thus, the FCC does not directly regulate the programming provided by the Company.

Although the FCC generally does not directly regulate the services provided by Players Network, the regulation of video distribution and communications services is subject to the political process and has been in constant flux over the past decade. Further material changes in the law and regulatory requirements must be anticipated and there can be no assurance that Players Network’s business will not be adversely affected by future legislation or new regulations.

RESEARCH AND DEVELOPMENT

Players Network is constantly at the fore front of technology in terms of research and development. Although research and development costs are incorporated into our costs of operations on each project as it is developed, Players Network understands the importance of utilizing the latest available technology and constantly seeks to improve their delivery methods in today’s fast changing society.

SEASONALITY

The amount of revenue realized by the Company each month is only affected slightly by the season for a variety of factors, that mainly include summer break, and holidays, when internet use increases.

EMPLOYEES

As of December 31, 2008, Players Network has three full time employee as well as ten contract personnel that support and operate our production and post-production operations. Management will hire additional employees on an as needed basis. None of our employees are subject to any collective bargaining agreement or labor union contract, nor has the Company been subjected to any strikes or employment disruptions in its history. We intend to use the services of independent consultants and contractors to perform various professional services when and as they are deemed necessary. We believe that the use of third-party service providers may enhance our ability to contain general and administrative expenses.

Players Network's proposed personnel structure could be divided into four broad categories: management and production, professional, administrative, and project personnel. As in most small companies, the divisions between these three categories are somewhat indistinct, except for production, as employees are engaged in various functions as projects and workloads demand.

ITEM 1A. RISK FACTORS.

In addition to the other information in this Annual Report, the following risk factors, among others, should be considered carefully in evaluating the Company and its business.

1. Risks Related To Our Company

We have had a history of losses, we expect losses in the future, and there can be no assurance that we will become profitable in the future.

The Company was incorporated under the laws of the State of Nevada on March 16, 1993. Since inception, we have experienced operating losses on an on-going basis. For our fiscal year ended December 31, 2008, we incurred net losses of $779,949. As of such date, we had an accumulated deficit of $15,899,164. We expect our losses to continue for the foreseeable future. These continuing losses may be greater than current levels. If our revenues do not increase substantially or if our expenses exceed our expectations, we may never become profitable. Even if we do achieve profitability, we may not sustain profitability on a quarterly or annual basis in the future.

Our auditor has given us a "going concern" qualification, which questions our ability to continue as a going concern without additional financing.

Our independent certified public accountant has added an emphasis paragraph to its report on our financial statements for the year ended December 31, 2008 regarding our ability to continue as a going concern. Key to this determination is our recurring net losses, an accumulated deficit, and a working capital deficiency. Management plans to try to increase sales and improve operating results through the expansion of the distribution channels of our programming with a view to increasing advertising and sponsorship revenues. Management believes that funds generated from operations will not be sufficient to cover cash needs in the foreseeable future, and we will continue to rely on expected increased revenues and private equity to cover our cash needs, although there can be no assurance in this regard. In the event sales do not materialize at the expected rates, management would seek additional financing or would conserve cash by further reducing expenses. There can be no assurance that we will be successful in achieving these objectives, becoming profitable or continuing our business without either a temporary interruption or a permanent cessation.

We need additional capital in the future to finance our planned growth, which we may not be able to raise or it may only be available on terms unfavorable to us or our stockholders, which may result in our inability to fund our working capital requirements and harm our operational results.

We have and expect to continue to have substantial capital expenditure and working capital needs. We do not now have funds sufficient to fund our operations at their current level for the next 12 months. We need to raise additional cash to fund our operations and implement our business plan. We are maintaining an on-going effort to locate sources of additional funding, without which we will not be able to remain a viable entity. No financing arrangements are currently under contract, and there are no assurances that we will be able to obtain adequate financing. If we are able to obtain the financing required to remain in business, eventually achieving operating profits will require substantially increasing revenues or drastically reducing expenses from their current levels or both. If we are able to obtain the required financing to remain in business, future operating results depend upon a number of factors that are outside of our control. We have secured convertible debt financing in the original principal amount of $465,000. We currently do not have the funds to repay this indebtedness but have the option to convert it to common stock upon its 36 month anniversary which occurs over various dates in 2009. The expected operating losses, coupled with a lack of liquidity, raise a substantial doubt about our ability to continue as a going concern. If we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our stockholders would be reduced, and these newly issued securities might have rights, preferences or privileges senior to those of existing stockholders. For more information about our capital needs and abilities, see "MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION - OVERVIEW AND OUTLOOK - Liquidity and Capital Resources” herein.

At this stage of our business operations, even with our good faith efforts, potential investors have a possibility of losing their investment.

Because the nature of our business is expected to change as a result of shifts as a result of market conditions, competition, and the development of new and improved technology, management forecasts are not necessarily indicative of future operations and should not be relied upon as an indication of future performance. While management believes its estimates of projected occurrences and events are within the timetable of its business plan, our actual results may differ substantially from those that are currently anticipated.

If we are unable to retain the services of Messrs. Bradley or Berk, or if we are unable to successfully recruit qualified managerial and sales personnel having experience in business, we may not be able to continue our operations.

Our success depends to a significant extent upon the continued service of Mr. Mark Bradley, our Chief Executive Officer and Mr. Michael Berk, our President of Programming. Loss of the services of Messrs. Bradley or Berk could have a material adverse effect on our growth, revenues, and prospective business. In order to successfully implement and manage our business plan, we will be dependent upon (among other things) successfully recruiting qualified managerial and sales personnel having experience in business. Competition for qualified individuals is intense. There can be no assurance that we will be able to find, attract and retain existing employees or that we will be able to find, attract and retain qualified personnel on acceptable terms.

Our current management resources may not be sufficient for the future, and we have no assurance that we can attract additional qualified personnel.

There can be no assurance that the current level of management is sufficient to perform all responsibilities necessary or beneficial for management to perform. Our success in attracting additional qualified personnel will depend on many factors, including our ability to provide them with competitive compensation arrangements, equity participation and other benefits. There is no assurance that (if we need to) we will be successful in attracting highly qualified individuals in key management positions.

Limitations on claims against our officers and directors, and our obligation to indemnify them, could prevent our recovery for losses caused by them.

The corporation law of Nevada allows a Nevada corporation to limit the liability of its directors to the corporation and its stockholders to a certain extent, and our Articles of Incorporation have eliminated our directors' and officers' personal liability for damages for breaches of fiduciary duty but do not eliminate or limit the liability of a director officer for (a) acts or omissions which involve intentional misconduct, fraud or a knowing violation of the law, or (b) the payment of dividends in violation of applicable law. The corporation law of Nevada allows a Nevada corporation to indemnify each director, officer, agent and/or employee to the extent that certain standards are met. Further, we may purchase and maintain insurance on behalf of any such persons whether or not we have the power to indemnify such person against the liability insured against. Consequently, because of the actions or omissions of officers, directors, agents and employees, we could incur substantial losses and be prevented from recovering such losses from such persons. Further, the Commission maintains that indemnification for liabilities arising under the Securities Act is against the public policy expressed in the Securities Act, and is therefore unenforceable.

Officers and Directors own a large percentage of our outstanding stock, and cumulative voting is not available to stockholders.

Our current Officers and Directors currently own (directly or indirectly) approximately 26.8% of our outstanding common stock and 100% of our outstanding Series A Preferred Stock. Each share of common stock is entitled to one vote on stockholder matters and each share of Series A Preferred Stock is entitled to 25 votes on stockholder matters. Cumulative voting is not provided for in the election of directors. Accordingly, the holder or holders of a majority of our outstanding shares of voting stock may elect all of our directors. Management's large percentage ownership of our outstanding common stock helps enable them to maintain their positions as such and thus control of our business and affairs.

We may experience rapid growth, and in such case we will need to manage this growth effectively.

We believe that, given the right business opportunities, we may expand our operations rapidly and significantly. If rapid growth were to occur, it could place a significant strain on our management, operational and financial resources. To manage any significant growth of our operations, we will be required to undertake the following successfully:

- Manage relationships with various strategic partners and other third parties;
- Hire and retain skilled personnel necessary to support our business;
- Train and manage a growing employee base; and
- Continually develop our financial and information management systems.

If we fail to make adequate allowances for the costs and risks associated with this expansion or if our systems, procedures or controls are not adequate to support our operations, our business could be harmed. Our inability to manage growth effectively could materially adversely affect our business, results of operations and financial condition.

2. Risks Related To Our Business

Our business is speculative (among other reasons) because our revenues are derived from the acceptance of our programming and the timely expansion to new media distribution, which is difficult to predict, and our failure to develop appealing programming would probably materially adversely affect us.

Our programming is the key to our success. It represents the catalyst for generating our revenues, and is subject to a number of uncertainties. Our success depends on the quality of our programming and the quality of other programming released into marketplace at or near the same time as ours, the availability of alternative forms of entertainment and leisure time activities, general economic conditions and other tangible and intangible factors, all of which can change and cannot be predicted with certainty. There can be no assurance that our current or future programming will appeal to consumer or persons who would pay to broadcast it. Any failure to develop appealing programming would materially and adversely affect our business, results of operations and financial condition.

There are various risks associated with our proprietary rights.

No patent protection. We have no proprietary technology, and accordingly, have no patents. We intend to rely on a combination of copyright and trade secret protection and nondisclosure agreements to establish and protect our proprietary rights. Despite our precautions, it may be possible for a third party to copy or otherwise obtain and use our proprietary information, products or technology without authorization, to imitate our programming, or to develop similar or superior programming or ideas independently. Imitation of our programming, the creation of similar or superior programming, or the infringement of our intellectual property rights could diminish the value of our programming or otherwise adversely affect our potential for revenue. Policing unauthorized use of our intellectual property will be difficult and expensive. In addition, effective copyright and trade secret protection may be unavailable or limited in certain foreign countries. We cannot provide any assurances that the steps we take will prevent misappropriation of our technology or that our confidentiality or other protective agreements will be enforceable.

Enforcing our proprietary rights may require litigation. Litigation may be necessary in the future to enforce our intellectual property rights, to protect our trade secrets, to protect our copyrights, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement or invalidity. Any such litigation could result in substantial costs and diversion of resources and could have a material adverse effect on our business, operating results or financial condition.

Others may assert infringement claims against us. One of the risks of our business is the possibility of claims that our productions infringe on the intellectual property rights of third parties with respect to previously developed content. In addition, our technology and software may be subject to patent, copyright or other intellectual property claims of third parties. We could receive in the future claims of infringement of other parties' proprietary rights. There can be no assurance that infringement claims will not be asserted or prosecuted against us, or that any assertions or prosecutions will not materially adversely affect our business, financial condition or results of operations. Irrespective of the validity or the successful assertion of such claims, we would incur significant costs and diversion of resources with respect to the defense thereof, which could have a material adverse effect on our business, financial condition or results of operations. If any claims or actions are asserted against us, we may seek to obtain a license under a third party's intellectual property rights. We cannot provide any assurances, however, that under such circumstances a license would be available on reasonable terms or at all.

We may be adversely affected by changing consumer preferences

Gambling and new media appears to have become more accepted by and popular with many more persons in recent years. However, the gambling industry is subject to shifting consumer preferences and perceptions. A dramatic shift in consumer acceptance or interest in gaming could materially adversely affect us. We are also dependent on consumers becoming acclimated to using new media by watching video over the internet and on VOD television platforms.

We will rely on a number of third parties, and such reliance exposes us to a number of risks.

Our operations will depend on a number of third parties. We will have limited control over these third parties. We will probably not have many long-term agreements with many of them. We rely upon a number of third parties to carry our programming, and we will need to expand in the future the number of third parties doing this on our behalf. There can be no assurance that existing such agreements will not be terminated or that they will be renewed in the future on terms acceptable to us, or that we will be able to enter into additional such agreements. Our inability to preserve and expand the channels for distributing our programming would likely materially adversely affect our business, results of operations and financial condition. We also will rely on a variety of technology that we will license from third parties. Our loss of or inability to maintain or obtain upgrades to any of these technology licenses could result in delays. These delays could materially adversely affect our business, results of operations and financial condition, until equivalent technology could be identified, licensed or developed and integrated. Moreover, we occasionally use third parties in connection with our production work and work on our Web site. In addition, we do not own a gateway onto the Internet. Instead, we now and presumably always will rely on a network operating center to connect our Web site to the Internet. Overall, our inability to maintain satisfactory relationships with the requisite third parties on acceptable commercial terms, or the failure of such third parties to maintain the quality of services they provide at a satisfactory standard, could materially adversely affect our business, results of operations and financial condition.

We could be materially adversely affected by future regulatory changes applicable to our business.

We do not believe that any governmental approvals are required to sell our products or services, and that we are not currently subject to significant regulation by any government agency in the United States, other than regulations applicable to businesses generally. However, a number of laws and regulations may be adopted with respect to our business in the future. Such legislation could dampen or increase the cost of our business. Such a development could materially and adversely affect our business, results of operations and financial condition.

Competition in our industry is moderate. We are very small and have a limited operating history although compared to the vast majority of our competitors we are more experienced.

We intend to compete with major and independent providers of content to the Broadband and VOD television the majority of our anticipated competitors have substantially greater financial and other resources than we do. In addition, larger competitors may be able to absorb the burden of any changes in federal, state and local laws and regulations more easily than we can, which would adversely affect our competitive position. These competitors may be able to pay more for technology upgrades and marketing. In addition, some of our competitors have been operating in our core areas for a much longer time than we have and have demonstrated the ability to operate through industry cycles.

3. Risks Related To Our Common Stock

We have certain obligations and the general ability to issue additional shares of common stock in the future, and such future issuances may depress the price of our common stock.

We have various obligations and the ability to issue additional shares of common stock in the future. These obligations and abilities include the following:

- Approximately, 185,000 shares of our common stock available for issuance under our 2004 Non-Qualified Stock Plan; and
- Options and warrants to purchase approximately 6.7 million unregistered shares of common stock had been issued as of the date of this Annual Report.

The options described above will permit the holders to purchase shares of common stock at specified prices. These purchase prices may be less than the then current market price of our common stock. Any shares of common stock issued pursuant to these options would further dilute the percentage ownership of existing stockholders. The terms on which we could obtain additional capital during the life of these options may be adversely affected because of such potential dilution. Finally, we may issue additional shares in the future other than as listed above. There are no preemptive rights in connection with our common stock. Thus, the percentage ownership of existing stockholders may be diluted if we issue additional shares in the future. For grants of options, our Board of Directors will determine the timing and size of the grants and the consideration or services required. Our Board of Directors intends to use its reasonable business judgment to fulfill its fiduciary obligations to our then existing stockholders in connection with any such grant. Nonetheless, future issuances of additional shares pursuant to options granted could cause immediate and substantial dilution to the net tangible book value of shares of common stock issued and outstanding immediately before such transaction. Any future decrease in the net tangible book value of such issued and outstanding shares could materially and adversely affect the market value of the shares.

Our common stock has experienced only extremely limited trading.

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Currently, our common stock is quoted and traded in very limited quantities on the OTC Electronic Bulletin Board under the trading symbol of "PNTV." There can be no assurance as to the prices at which the shares of our common stock will trade. Until shares of our common stock become more broadly held and orderly markets develop and even thereafter, the price of our common stock may fluctuate significantly. The Price for our common stock will be determined in the marketplace and may be influenced by many factors, including the following:

- The depth and liquidity of the markets for our common stock;
- Investor perception of us and the industry in which we participate;
- General economic and market conditions;
- Responses to quarter-to-quarter variations in operating results;
- Failure to meet securities analysts' estimates;
- Changes in financial estimates by securities analysts;
- Conditions, trends or announcements in our industry;
- Announcements of significant acquisitions, strategic alliances, joint ventures or capital commitments by us or our competitors;
- Additions or departures of key personnel;
- Sales of our common stock;
- Accounting pronouncements or changes in accounting rules that affect our financial statements; and
- Other factors and events beyond our control.

The market price of our common stock could experience significant fluctuations unrelated to our operating performance. As a result, a stockholder (due to personal circumstances) may be required to sell such stockholder’s shares of our common stock at a time when our stock price is depressed due to random fluctuations, possibly based on factors beyond our control.

The trading price of our common stock may entail additional regulatory requirements, which may negatively affect such trading price.

The trading price of our common stock has been and may continue to be below $5.00 per share. As a result of this price level, trading in our common stock is subject to the requirements of certain rules promulgated under the Exchange Act. These rules require additional disclosure by broker-dealers in connection with any trades generally involving any non-NASDAQ equity security that has a market price of less than $5.00 per share, subject to certain exceptions. Such rules require the delivery, before any penny stock transaction, of a disclosure schedule explaining the penny stock market and the risks associated therewith, and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors (generally institutions). For these types of transactions, the broker-dealer must determine the suitability of the penny stock for the purchaser and receive the purchaser's written consent to the transaction before sale. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our common stock. As a consequence, the market liquidity of our common stock could be severely affected or limited by these regulatory requirements.

Because our board of directors does not intend to pay dividends on our common stock in the foreseeable future, stockholders may have to sell their shares of our common stock to realize a return on their investment in the company.

Holders of our common stock are entitled to receive dividends when, as and if declared by our Board of Directors out of funds legally available. To date, we have paid no dividends. Our Board of Directors does not intend to declare any dividends in the foreseeable future, but instead intends to retain all earnings, if any, for use in our business operations. Accordingly, a return on an investment in shares of our common stock may be realized only through a sale of such shares, if at all.

ITEM 2. PROPERTIES

We have a library of over 1,050 gambling and gaming lifestyle videos and we produce an average of fifteen to twenty new videos per month. We own the intellectual property rights in the programming and content that we produce. Moreover, the slogans “Everybody wants to be a player” and “The only game in town” are registered trademarks of the Company with the United States Patent and Trademark Office (the “PTO”). The Company has received from the PTO the trademark for “Players Network” and for the service mark “Players Network.”

The principal executive office of Players Network is located at 4620 Polaris Avenue, Las Vegas, Nevada, 89103. Players Network occupies approximately 8,500 square feet of combined office space, video production soundstage, technical and administrative operations, and warehouse space at these premises pursuant to a two year lease that commenced on August 1, 2008. The monthly rent is $6,250. Our minimum operating lease payments total $74,998 in 2009.

These properties are in good condition, well maintained and adequate for Players Network's current and immediately foreseeable operating needs. Players Network does not have any policies regarding investments in real estate, securities or other forms of property.

ITEM 3. LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our business. We are not presently a party to any material litigation, nor to the knowledge of management is any litigation threatened against us, which may materially affect us.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

We did not submit any matters to a vote of our security holders during the fourth quarter of the fiscal year 2008.

PART II

ITEM 5. MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

(a) Market Information

The Company's Common Stock is currently traded on the National Association of Security Dealers' over-the-counter bulletin board market (OTCBB) under the symbol PNTV.OB. The following table sets forth the high and low bid prices for each quarter within the last two fiscal years. The source of these quotations is the OTCBB Trade Activity Report. The quotations reflect inter-dealer prices, without retail mark-up, markdown or commission, and may not necessarily represent actual transactions.

	COMMON STOCK MARKET PRICE			
	HIGH		LOW	
FISCAL YEAR ENDED DECEMBER 31, 2008:				
Fourth Quarter	$	0.17	$	0.01
Third Quarter	$	0.08	$	0.02
Second Quarter	$	0.15	$	0.07
First Quarter	$	0.22	$	0.085
FISCAL YEAR ENDED DECEMBER 31, 2007:				
Fourth Quarter	$	0.23	$	0.01
Third Quarter	$	0.26	$	0.13
Second Quarter	$	0.32	$	0.12
First Quarter	$	0.23	$	0.12

(b) Holders of Common Stock

As of April 9, 2009, there were approximately 262 holders of record of the Company's Common Stock. As of April 9, 2009, the closing price of the Company's shares of common stock was $0.17 per share. Florida Atlantic Stock Transfer (telephone: (954) 726-4954; facsimile: (954) 726-6305) is the registrar and transfer agent for our common stock.

(c) Dividends

Players Network has never declared or paid dividends on its Common Stock. Players Network intends to follow a policy of retaining earnings, if any, to finance the growth of the business and does not anticipate paying any cash dividends in the foreseeable future. The declaration and payment of future dividends on the Common Stock will be at sole discretion of the Board of Directors and will depend on Players Network's profitability and financial condition, capital requirements, statutory and contractual restrictions, future prospects and other factors deemed relevant.

(d) Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information regarding our existing compensation plans and individual compensation arrangements pursuant to which our equity securities are authorized for issuance to employees or non-employees (such as directors, consultants and advisors) in exchange for consideration in the form of services:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) (c)
Equity Compensation Plans approved by security holders	--	--	--
Equity compensation plans not approved by security holders (1)	6,661,333	$ 0.28	185,000
Total:	6,661,333	$ 0.28	185,000

(1) In 2008, the Company issued 1,125,000 options to consultants for services rendered at a weighted average exercise price of $0.20. As of December 31, 2008, the Company had options outstanding exercisable for 6,661,333 shares of the Company’s common stock at a weighted average exercise price of $0.28 that were issued for services rendered under the Company’s 2004 Non-Qualified Stock Option Plan.

(e) Recent Sales of Unregistered Securities

Common Stock

On December 8, 2008 the Company issued 60,000 shares of common stock to its CEO for unpaid compensation. The total fair value of the common stock was $1,800.

On December 8, 2008 the Company issued 60,000 shares of common stock to its President of Programming for unpaid compensation. The total fair value of the common stock was $1,800.

On December 8, 2008 the Company issued common stock as compensation for service on the board of directors to two of its directors totaling 200,000 shares. The fair value of the common stock was $6,000.

On December 8, 2008 the Company issued 100,000 shares of common stock to a consultant for administrative services rendered. The total fair value of the common stock was $3,000.

On December 8, 2008 the Company issued 40,000 shares of common stock to a consultant for services rendered. The total fair value of the common stock was $1,200.

On December 8, 2008 the Company issued 20,000 shares of common stock to an employee as a bonus for services rendered. The total fair value of the common stock was $600.

On December 8, 2008 the Company issued 5,000 shares of common stock to a consultant for administrative services rendered. The total fair value of the common stock was $150.

On December 8, 2008 the Company issued 10,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $300.

On December 8, 2008 the Company issued 50,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $1,500.

On December 8, 2008 the Company issued 100,000 shares of common stock to a consultant for sales & marketing services rendered. The total fair value of the common stock was $3,000.

On December 8, 2008 the Company issued 300,000 shares of common stock to a consultant for prepaid equity promotion and marketing services. The fair market value of the shares was $10,500. The expense is being amortized over the six month life of the agreement. At December 31, 2008 $8,750 remained unamortized, and $1,750 had been expensed as share-based marketing expense.

On December 8, 2008 the Company issued 300,000 shares of common stock to a consultant for prepaid equity promotion and marketing services. The fair market value of the shares was $10,500. The expense is being amortized over the six month life of the agreement. At December 31, 2008 $8,750 remained unamortized, and $1,750 had been expensed as share-based marketing expense.

On December 8, 2008 the Company issued 5,000 shares of common stock to a consultant for equity promotion & marketing services rendered. The total fair value of the common stock was $150.

Warrants and options

On February 15, 2008 the Company granted cashless options to purchase 250,000 shares of its common stock to the Company’s CEO as a bonus for services performed at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $23,271.

On February 15, 2008 the Company granted cashless options to purchase 250,000 shares of its common stock to the Company’s President of Programming as a bonus for services performed at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $23,271.

On February 15, 2008 the Company granted cashless options to purchase 100,000 shares of its common stock to a director of the Company in exchange for services at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model was $9,308.

On February 15, 2008 the Company granted 100,000 stock options to a consultant for services as part of a 30 day public relations agreement at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $9,308 and will be amortized as the services are performed. The Company expensed $4,654 in the six months ending June 30, 2008.

On February 15, 2008 the Company granted 100,000 stock options to a consultant for services rendered at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $9,308.

On February 15, 2008 the Company granted 150,000 stock options to a consultant for services rendered at an exercise price of $0.20 per share, exercisable over 12 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.06, was $8,597.

On February 15, 2008 the Company granted 50,000 stock options to a consultant for services rendered at an exercise price of $0.20 per share, exercisable over 12 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.06, was $2,866.

On February 15, 2008 the Company granted cashless options to purchase 25,000 shares of its common stock to each of all five of the Company's directors in exchange for their services as board members. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $2,327 each.

Options and Warrants Cancelled

No options or warrants were cancelled during the year ended December 31, 2008.

Options and Warrants Expired

During the year ended December 31, 2008, 2,123,500 options and 1,116,666 warrants that were outstanding as of December 31, 2007 expired. The expiration of the options and warrants had no impact on the current period operations.

Options Exercised

No options were exercised during the years ended December 31, 2008

The foregoing securities were issued in reliance on Section 4(2) of the Securities Act of 1933, as amended.

ITEM 6. SELECTED FINANCIAL DATA

Not Required

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS AND RESULTS OF OPERATION

Overview and Outlook

Players Network was incorporated in the State of Nevada in March of 1993. Players Network is a global media and entertainment company engaged in the development, production, distribution and marketing of television programs and internet broadcasting about the Las Vegas and Gaming Lifestyles, and other related entertainment themes.

With an emphasis on unique, high-quality programming that captures the excitement, passion, enjoyment, sex appeal, entertainment, information, celebrity, and the non-stop adrenaline rush of the Las Vegas Gaming Lifestyle, Players Network's content goes beyond poker, casino action, sports betting, and racing, to lifestyle programs about entertainment and fine living, attracting the young and the sophisticated viewers who view digital content most.

Much of Players Network's programming is educational, involving experts helping viewers become smarter gaming consumers, so when they visit a casino they have the best chance possible to win. Many shows are celebrity driven, since so many celebrities in movies and music, TV and sports come to Las Vegas to play.

Players Network programming is conceived and produced to create successful advertising, cross-promotional and marketing opportunities for distributors and sponsors by engaging this highly targeted, desirable audience in programming that excites them.

In 2007 the Company brought on it first major sponsor IGT, who sponsored an original television series "Winner and Jackpots." The Company expects the sponsorship to continue through 2008. The sponsorship included an initial deposit and a per show production fee. The Company also engaged an advertising agency to act as the Company's representative to mainstream sponsors to assist the Company in creating advertising revenues. The Company signed distribution agreements with Telco and satellite giants AT&T and Verizon pursuant to which the Company's content will be distributed over these companies' IPTV platforms. The Company also signed agreements with Direct TV and EchoStar to deliver Players Network branded VOD channels. Management believes that the addition of these new distribution platforms will enable the Company to begin to generate revenues from advertising.

As we continue to expand our business and implement our business strategy, our current monthly cash flow requirements will exceed our near term cash flow from operations. Our available cash resources and anticipated cash flow from operations are insufficient to satisfy our anticipated costs associated with new product development. There can be no assurance that we will be able to generate sufficient cash from operations in future periods to satisfy our capital requirements. Therefore, we will have to continue to rely on external financing activities, including the sale of our equity securities, to satisfy our capital requirements for the foreseeable future. Due, in part, to our lack of historical earnings, our prior success in attracting additional funding has been limited to transactions in which our equity is used as currency. In light of the availability of this type of financing, and the lack of alternative proposals, our board of directors has determined that the continued use of our equity for these purposes may be necessary if we are to sustain operations. Equity financings of the type we have been required to pursue are dilutive to our stockholders and may adversely impact the market price for our shares. However, we have no commitments for borrowings or additional sales of equity, the precise terms upon which we may be able to attract additional funding is not known at this time, and there can be no assurance that we will be successful in consummating any such future financing transactions on terms satisfactory to us, or at all.

Results of Operations for the Years Ended December 31, 2008 and December 31, 2007:

	December 31, 2008	December 31, 2007	Increase / (Decrease)
Revenues	$ 299,505	$ 326,159	$ (26,654)
Direct operating costs	202,335	313,938	(156,577)
General and administrative expenses	348,786	322,911	25,875
Bad debt	8,400	2,000	6,400
Salaries and wages	318,611	565,816	(247,205)
Consulting services	168,614	724,277	(573,163)
Rent	76,046	69,769	6,277
Depreciation and amortization	4,934	29,702	(24,768)
Total Operating Expenses	1,127,726	2,028,413	963,161
Net Operating (Loss)	(828,221)	(1,702,254)	(936,507)
Total other income (expense)	48,272	(95,178)	(53,474)
Net (Loss)	$ (779,949)	$ (1,797,432)	$ (1,034,983)

Revenues:

During the years ended 2008 and 2007, we received revenues primarily from two sources - licensing fees from our private networks, including the sale of in-home media, and advertising fees, and production revenues, which included fees from third party programming production and sound stage rentals. Aggregate revenues for the year ended December 31, 2008 were $299,505 compared to revenues of $326,159 in the year ended December 31, 2007, a decrease in revenues of $26,654, or 8%. Revenues decreased as a result of a reduction in the amount of revenues received from stage rentals of $7,713 due to a decrease in demand for stage rentals in the Las Vegas area, and a reduction of $18,941 in production revenues due to fewer special video production projects in 2008.

Direct Operating Costs:

Direct operating costs were $202,335 for the year ended December 31, 2008 compared to $313,938 for the year ended December 31, 2007, a decrease of $111,603 or 36%. Our direct operating costs in 2008 decreased due to our ability to scale back our development of new video content. In 2008 we continued to develop and distribute our content, but at a slower rate than in 2007, without maximizing our sales potential in either year. Direct operating costs are comprised of video production and distribution costs.

General and Administrative:

General and administrative expenses were $348,786 for the year ended December 31, 2008 compared to $322,911 for the year ended December 31, 2007, an increase of $25,875 or approximately 8%. The increase in general and administrative expense for the year ended December 31, 2008 compared to 2007 was comprised of approximately $4,000 in professional fees, and $22,000 in marketing fees. The increase was due to the Company’s increased efforts to try and promote the Company.

Bad debt:

Bad debt expense was $8,400 for the year ended December 31, 2008 compared to $2,000 for the year ended December 31, 2007, an increase of $6,400 or 31%. Bad debt expense increased for the year ended December 31, 2008 compared to 2007 due to the write off of specific uncollectible debts from a Company that that went out of business in 2008. Accounts receivable are closely managed and there were no significant unpaid accounts receivables in 2008.

Salaries and wages:

Salaries and wage expense was $318,611 for the year ended December 31, 2008 compared to $565,816 for the year ended December 31, 2007, a decrease of $247,205 or 44%. The Company recorded non-cash expenses for salaries and wages totaling $227,615 and $231,971, during the year ended December 31, 2008 and 2007, respectively. The non-cash expenses consisted of the value of common stock, recorded at fair value, issued to employees of $181,073 and $301,279 for the years ended December 31, 2008 and 2007, respectively, as well as, common stock options, recorded at fair value of $46,542 and $-0- for the years ended December 31, 2008 and 2007, respectively. Salaries and wage expenses decreased for the year ended December 31, 2008 compared to 2007 primarily because of a reduction in the issuance of common stock options to employees in 2008.

Consulting services:

Consulting services expense was $168,614 for the year ended December 31, 2008 compared to $724,277 for the year ended December 31, 2007, a decrease of $573,163 or 79%, due to a reduced reliance on outside consultants in 2008. During the years ended December 31, 2008 and 2007, the Company recorded non-cash expenses for consulting services totaling $168,614 and $717,157. The non-cash expenses consisted of the value of common stock and common stock options, recorded at fair value, issued to service providers.

Rent:

Rent expense was $76,046 for the year ended December 31, 2008 compared to $69,769 for the year ended December 31, 2007, an increase of $6,277 or 15%. Rent expense increased for the year ended December 31, 2008 compared to 2007 due to increases in the monthly rental rates associated with the new lease agreement.

Depreciation and amortization:

Depreciation and amortization expense was 4,934 for the year ended December 31, 2008 compared to $29,702 for the year ended December 31, 2007, a decrease of $24,768 or 83%. The decrease in depreciation and amortization for the year ended December 31, 2008 compared to 2007 was due to the disposal of fixed assets no longer in service during 2007.

Net Operating Loss:

Net operating loss for the year ended December 31, 2008 was $828,221 or ($0.03) per share compared to a net operating loss of $1,702,254 for the year ended December 31, 2007, or ($0.06) per share, a decrease of $874,033 or 51%. Net operating loss decreased primarily as a result of our restructuring operations and revamping cost saving measures which enabled us to greatly reduce our general and administrative costs, and our reduction in non-cash compensation payments to our Officers in 2008 compared to 2007.

Net Loss:

The net loss for the year ended December 31, 2008 was $779,949, compared to a net loss of $1,797,432 for the year ended December 31, 2007, a decrease of net loss of $1,017,483. Net loss decreased primarily as a result of our restructuring operations and revamping cost saving measures which enabled us to greatly reduce our general and administrative costs, and our reduction in non-cash compensation payments to our Officers and consultants in 2008 compared to 2007.

LIQUIDITY AND CAPITAL RESOURCES

The following table summarizes total assets, accumulated deficit, stockholders' equity and working capital at December 31, 2008 compared to December 31, 2007.

	December 31, 2008	December 31, 2007
Total Assets	$ 46,353	$ 104,944
Accumulated (Deficit)	$ (15,899,164)	$ (15,119,215)
Stockholders' Equity	$ (1,150,767)	$ (923,532)
Working Capital (Deficit)	$ (1,127,450)	$ (583,531)

Our principal source of operating capital has been provided from private sales of our common stock, revenues from operations, and, to a limited extent, debt financing. At December 31, 2008, we had a negative working capital position of $(1,127,450). As we continue the shift in our business focus and attempt to expand operational activities, we expect to continue to experience net negative cash flows from operations in amounts not now determinable, and will be required to obtain additional financing to fund operations through common stock offerings and debt borrowings to the extent necessary to provide working capital. We have and expect to continue to have substantial capital expenditure and working capital needs. We do not now have funds sufficient to fund our operations at their current level for the next 12 months. We need to raise additional cash to fund our operations and implement our business plan. We expect that the additional financing will (if available) take the form of a private placement of equity, although we may be constrained to obtain additional debt financing in lieu thereof. We are maintaining an on-going effort to locate sources of additional funding, without which we will not be able to remain a viable entity. No financing arrangements are currently under contract, and there are no assurances that we will be able to obtain adequate financing. If we are able to obtain the financing required to remain in business, eventually achieving operating profits will require substantially increasing revenues or drastically reducing expenses from their current levels or both. If we are able to obtain the required financing to remain in business, future operating results depend upon a number of factors that are outside of our control.

To conserve on the Company's capital requirements, the Company has issued shares in lieu of cash payments to employees and outside consultants, and the Company expects to continue this practice in 2009. In 2008, the Company issued 5,224,773 shares of common stock and 1,200,000 shares of preferred stock valued at $319,323 in lieu of cash payments to employees and outside consultants. The Company is not now in a position to determine an approximate number of shares that the Company may issue for the preceding purpose in 2009.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Required

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is incorporated by reference to the financial statements beginning on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On February 13, 2009, we dismissed Weaver & Martin, LLC and appointed M&K CPAS, PLLC, as our independent accountants for the year ended December 31, 2008. This change in accountants was recommended and approved by our Executive Management and Board of Directors. M&K CPAS, PLLC was engaged by the Registrant on February 13, 2009. During the most recent two fiscal years and the portion of time preceding the decision to engage M&K CPAS, PLLC, we have not, nor has anyone engaged on our behalf, consulted with M&K CPAS, PLLC regarding (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that may be rendered on the Company’s financial statements, and M&K CPAS, PLLC did not provide either in a written report or oral advice to the Company that was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue; or (ii) the subject of any disagreement, as defined in Item 304 (a)(1)(v) of Regulation S-K and the related instructions, or a reportable event within the meaning set forth in Item 304 (a)(1)(V) of Regulation S-K.

ITEM 9A(T). CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures.

We carried out an evaluation, under the supervision and with the participation of our management, including our principal executive officer, of the effectiveness of our disclosure controls and procedures (as defined) in Exchange Act Rules 13a – 15(c) and 15d – 15(e)). Based upon that evaluation, our principal executive officer concluded that, as of the end of the period covered in this report, our disclosure controls and procedures were not effective to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the required time periods and is accumulated and communicated to our management, including our principal executive officer, as appropriate to allow timely decisions regarding required disclosure.

Our Principal Executive Officer does not expect that our disclosure controls or internal controls will prevent all error and all fraud. Although our disclosure controls and procedures were designed to provide reasonable assurance of achieving their objectives and our principal executive officer has determined that our disclosure controls and procedures are effective at doing so, a control system, no matter how well conceived and operated, can provide only reasonable, not absolute assurance that the objectives of the system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented if there exists in an individual a desire to do so. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Furthermore, smaller reporting companies face additional limitations. Smaller reporting companies employ fewer individuals and find it difficult to properly segregate duties. Often, one or two individuals control every aspect of the Company's operation and are in a position to override any system of internal control. Additionally, smaller reporting companies tend to utilize general accounting software packages that lack a rigorous set of software controls.

Management’s Annual Report on Internal Control over Financial Reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a- 15(f) under the Securities Exchange Act, as amended. Management, with the participation of the Chief Executive, evaluated the effectiveness of the Company’s internal control over financial reporting as of December 31, 2008. In making this assessment, management used the criteria set forth by the committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis. We have identified the following material weaknesses:

1. As of December 31, 2008, we did not maintain effective controls over the control environment. Specifically we have not developed and effectively communicated to our employees its accounting policies and procedures. This has resulted in inconsistent practices. Further, the Board of Directors does not currently have any independent members and no director qualifies as an audit committee financial expert as defined in Item 407(d)(5)(ii) of Regulation S-B. Since these entity level programs have a pervasive effect across the organization, management has determined that these circumstances constitute e a material weakness.

2. As of December 31, 2008, we did not maintain effective controls over financial statement disclosure. Specifically, controls were not designed and in place to ensure that all disclosures required were originally addressed in our financial statements. Accordingly, management has determined that this control deficiency constitutes a material weakness.

3. As of December 31, 2008, we did not maintain effective controls over financial reporting. Specifically controls were not designed and in place to ensure that the financial impact of certain complex equity transactions were appropriately and correctly reported. The transactions were identified by the auditors and calculated and reported correctly as of December 31, 2008.

Because of these material weaknesses, management has concluded that the Company did not maintain effective internal control over financial reporting as of December 31, 2008 based on the criteria established in “Internal Control-Integrated Framework” issued by the COSO.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting through the date of this report or during the quarter ended December 31, 2008, that materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Independent Registered Accountant's Internal Control Attestation

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

ITEM 9B. OTHER INFORMATION

None

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth the names and positions of our executive officers and directors. Directors will be elected at our annual meeting of stockholders and serve for one year or until their successors are elected and qualify. Officers are elected by the Board and their terms of office are, except to the extent governed by employment contract, at the discretion of the Board.

Name	Age	Position	Director Since
Mark Bradley	46	Chief Executive Officer, Principal Financial Officer and Director	1993
Michael Berk	62	President of Programming and Director	2000
Doug Miller	63	Director	2005
Morden C. Lazarus *	64	Director	2005
Terry Joseph Debono *	51	Director	2005
Leonard J. Parisi **	35	Director	2008
John J. English **	47	Director	2008

*Resigned December 8, 2008
**Appointed December 8, 2008

Mark Bradley founded the Company and has been its Chief Executive Officer and a director since 1993. Mr. Bradley was a staff producer/director at United Artists where he produced original programming and television commercials. In 1985 he created the Real Estate Broadcast Network that was the first 24-hour real estate channel. In 1993 he founded Players Network. Mr. Bradley is a graduate of the Producers Program at the University of California Los Angeles. Under his direction, Players Network became the first user of a digital broadcast system for television programming and the first private label gaming network. Mr. Bradley pioneered, developed and executive produced the production of Players Network’s unique gaming-centric programming. Mr. Bradley graduated from the UCLA producer’s program and became a producer/director at United Artists, where he produced original programming, television commercials, multi-camera music videos, live-to-tape sports and a variety show and was studio manager and postproduction supervisor with United Cable Television in Los Angeles. In this capacity he engaged in the production, packaging and syndication of television and film productions for such media venues as HBO, Nickelodeon, Prime Ticket and MTV. As an independent producer/director, Mr. Bradley created and promoted live pay-per-view events, negotiated entertainment programming distribution deals, budgeted and packaged TV programming. In 1985, Mr. Bradley created the Real Estate Broadcast Network, which was credited as being the first 24-hour real estate channel.

Michael Berk has been a director since 2000 and was appointed as the Company's president of programming on March 22, 2005. He created and Executive Produced “Baywatch,” the most popular series in television history, and is currently producing a large-budget “Baywatch” feature film for DreamWorks. Mr. Berk wrote and produced the first three-hour movie ever made for television, "The Incredible Journey of Dr. Meg Laurel," the highest-rated movie of the year, averaging a 42 share over three hours, "The Ordeal of Dr Mudd," another three-hour movie that received two Emmy Awards, "The Haunting Passion," winner of the Venice Film Festival Award and "The Last Song," recipient of the Edgar Allan Poe Award for Mystery Writing. Mr. Berk is also a significant figure in the Las Vegas community. He was a founding Board Member and President of the highly acclaimed “CineVegas” Film Festival, now in its sixth year at the Palms Hotel, and was recognized with the prestigious Las Vegas Chamber of Commerce Community Achievement Award in the category of Entertainment. He also received the Nevada Film Office/Las Vegas Film Critics Society Silver Spike Award for his contributions to the film and television industry in Nevada. Mr. Berk maintains offices both in Hollywood and in Las Vegas.

Douglas R. Miller has been a member of the Board of Directors of the Company since 2005. Mr. Miller has served as President, Chief Operating Officer, Secretary and a director of GWIN, Inc., a publicly traded media and entertainment company focused on sports and gaming, since its reorganization in July 2001. Mr. Miller has also served as Gwin’s Chief Financial Officer from November 2001 to April 2003. From 1999 to 2001, Mr. Miller served as President of Gwin’s subsidiary, Global Sports Edge, Inc. From 1998 to 1999, Mr. Miller was the Chief Financial Officer of Body Code International, an apparel manufacturer. Mr. Miller holds a B.A. degree in economics from the University of Nebraska, and an MBA degree from Stanford University. Mr. Miller serves on the compensation committee of the Company’s Board of Directors.

Morden C. Lazarus has been a member of the Board of Directors of the Company since 2005. Mr. Lazarus has been a principal of the Montreal law firm of Lazarus, Charbonneau since 1967. Mr. Lazarus currently serves as President of the International Association of Gaming Attorneys, for which he has been a member of the Board of Trustees since 1993 and General Counsel since 2001. He was also appointed as Chair of the Gaming Law Committee of the American Bar Association on September 30, 2004. Mr. Lazarus is also Chairman and Chief Executive Officer of ISee3D Inc., company whose shares are publicly traded on the TSX Venture Exchange (a subsidiary of the Toronto Stock Exchange). He is a member of the Board of Directors of DPC Biosciences Corporation (a company whose shares are also traded on the TSX Venture Exchange), and Anchor Gaming (Canada) Inc. (a subsidiary of International Game Technology, a NYSE-traded company). Mr. Lazarus received his law degree from McGill University in Montreal. Mr. Lazarus does not currently serve on any committee of our Board of Directors and is not expected at this time to serve on any such committee in the foreseeable future.

Terry Joseph Debono was appointed a member of the Board of Directors of the Company on June 18, 2007. Mr. Debono has been in the Advertising, Marketing, Television Production, Broadcasting and Gaming industries for nearly 30 years. His past roster of clients include MTV, Coca-Cola, General Motors, Budweiser, Nintendo, The Ontario Lottery and Gaming Corporation and Party Gaming. Mr. Debono has created, founded, managed, merged, acquired and sold a variety of business operations involved in the media industry. From April 2006 to April 2008 Mr. Debono has been a partner with The Debono Group, a media consulting company. From September 1999 to March 2006 Mr. Debono was the President of Boardwalk Media, a television and video production company. Mr. Debono brings integral management skills and an in-depth knowledge of business operations to Players Network

Leonard J. Parisi currently serves as Senior Vice President, and partner of Maxim Group LLC, a privately held financial services firm specializing in investment banking, equity research & private wealth management. Maxim Group is also registered as a broker-dealer with the U.S. Securities and Exchange Commission and is a member of the following: Financial Industry Regulatory Authority (FINRA); Municipal Securities Rulemaking Board (MSRB); Securities Insurance Protection Corporation (SIPC); International Securities Exchange (ISE); NASDAQ Stock Market; and NYSE Arca, Inc. Mr. Parisi has been in the financial services sector for 15 years, working for firms such as Paine Webber, Barington Capital, Josephthal, and Investec Ernst & Co. Mr. Parisi graduated Rutgers University with a BS in Finance, and has a MBA in Financial Management from Southern California University. Mr. Parisi currently holds licenses in Series 7, 63, 65 and both his life and health insurance licenses.

John J. English has served as Las Vegas Gaming, Inc’s Senior Vice President of Creative and Business Development since 2004. His duties include sports, race, and poker as well as alternative content development. From 1983-1990, Mr. English was the President of Lottery Division of Winners Award Center. In 1990, Mr. English co-founded Pinpoint Direct Incorporated, which became one of the largest direct mail sweepstakes and gaming providers in the world. In 1998, Mr. English founded Multimedia Enterprises, which produced innovative gaming content, and Mailworks International, which provided printing and production services. These companies maintained distribution offices in Nevada, Arizona, California, New York, Canada, and Holland. In 2000 Mr. English created Sports Bet Xpress, the first ever Nevada Gaming Control Board approved remote sports wagering system for bars, taverns and restaurants. Subsequently, Mr. English co-created Gamblers Bonus Million Dollar Ticket, the first million dollar jackpot game to be distributed to restricted gaming locations. Mr. English has created successful partnering ventures with United Coin Machine Company, American Wagering, Inc., VirtGame Corporation, Chan Poker, Harrah’s Entertainment, and MGM Mirage.

Limitation of Liability of Directors

Pursuant to the Nevada General Corporation Law, our Articles of Incorporation exclude personal liability for our Directors for monetary damages based upon any violation of their fiduciary duties as Directors, except as to liability for any breach of the duty of loyalty, acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or any transaction from which a Director receives an improper personal benefit. This exclusion of liability does not limit any right which a Director may have to be indemnified and does not affect any Director's liability under federal or applicable state securities laws. We have agreed to indemnify our directors against expenses, judgments, and amounts paid in settlement in connection with any claim against a Director if he acted in good faith and in a manner he believed to be in our best interests.

Election of Directors and Officers

Directors are elected to serve until the next annual meeting of stockholders and until their successors have been elected and qualified. Officers are appointed to serve until the meeting of the Board of Directors following the next annual meeting of stockholders and until their successors have been elected and qualified.

No Executive Officer or Director of the Corporation has been the subject of any Order, Judgment, or Decree of any Court of competent jurisdiction, or any regulatory agency permanently or temporarily enjoining, barring, suspending or otherwise limiting him from acting as an investment advisor, underwriter, broker or dealer in the securities industry. Or as an affiliated person, director or employee of an investment company, bank, savings and loan association. Also an insurance company or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any securities.

No Executive Officer or Director of the Corporation has been convicted in any criminal proceeding (excluding traffic violations) or is the subject of a criminal proceeding, which is currently pending.

No Executive Officer or Director of the Corporation is the subject of any pending legal proceedings.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires our executive officers and directors, and persons who beneficially own more than ten percent of our common stock, to file initial reports of ownership and reports of changes in ownership with the SEC. Executive officers, directors and greater than ten percent beneficial owners are required by SEC regulations to furnish us with copies of all Section 16(a) forms they file. To our knowledge, we believe that during 2008 our Directors and executive officers did not comply with all Section 16(a) filing requirements. Specifically, Mr. Bradley and Mr. Berk and failed to file Form 4s with respect to the issuance of Common and Series A Preferred shares for 2008 and Options issued to the officers for that were granted for prior years. On February 17, 2009 the officers filed Form 5's to reflect these issuances. Doug Miller failed to file Form 4's with respect to the issuance of Common shares and Options that were granted during 2008. Modern Lazarus failed to file Form 4's with respect to the issuance of Common shares and Options that were granted during 2008. Terry Debono failed to file Form 4's with respect to the issuance of Common shares and Options that were granted during 2008. Leonard J. Parisi and John J. English were appointed on December 8, 2008. Form 3's were not filed with respect to the issuance of Common shares that were granted to them.

Audit Committee

We do not have an Audit Committee, our board of directors acted as the Company's Audit Committee during fiscal 2008, recommending a firm of independent certified public accountants to audit the annual financial statements; reviewing the independent auditors' independence, the financial statements and their audit report; and reviewing management's administration of the system of internal accounting controls. The Company does not currently have a written audit committee charter or similar document.

Our board of directors has determined that if we were required to have a financial expert and/or an audit committee, Doug Miller, a Director, would be considered an “audit committee financial expert,” as defined by applicable Commission rules and regulations. Based on the definition of “independent” applicable to audit committee members of Nasdaq-traded companies, our board of directors has further determined that Mr. Miller is considered to be “independent.”

Code of Ethics

A code of ethics relates to written standards that are reasonably designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that are filed with, or submitted to, the Commission and in other public communications made by an issuer;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of violations of the code to an appropriate person or persons identified in the code; and
- Accountability for adherence to the code.

On April 7, 2004, the Company adopted a Code of Ethics that applies to the Company's principal executive officer, principal financial officer and principal accounting officer. Anyone can obtain a copy of the Code of Ethics by contacting the Company at the following address: 4620 Polaris Avenue Las Vegas, Nevada 89103, attention: Chief Executive Officer, telephone: (702) 895-8884. The first such copy will be provided without charge. The Company will post any amendments to the Code of Ethics, as well as any waivers that are required to be disclosed by the rules of either the Securities and Exchange Commission or the National Association of Dealers.

Nominating Committee

We do not have a Nominating Committee or Nominating Committee Charter. Our board of directors performed some of the functions associated with a Nominating Committee. We have elected not to have a Nominating Committee in that we are continuously updating our operations and have limited resources with which to establish additional committees of our board of directors.

Compensation Committee

At this time, Mr. Miller is the only member of the committee and has performed in his role by reviewing our employment agreements with Mr. Bradley and Mr. Berk. The board of directors intends to add additional members to the compensation committee and expects it to consist of solely of independent members. Until more members are appointed to the compensation committee, our entire board of directors will review all forms of compensation provided to any new executive officers, directors, consultants and employees, including stock compensation and options.

ITEM 11. EXECUTIVE COMPENSATION

The following table sets forth certain information relating to all compensation of our named executive officers for services rendered in all capacities to the Company during the years ended December 31, 2008, 2007 and 2006:

Summary Compensation Table

Name and Principal Position (a)	Year (b)	Salary (c) $	Stock Awards (e)(1) $	Option Awards (f)(1) $	All Other Compensation $	Total Compensation $
Mark Bradley, CEO	2008	$ 121,847	$ 73,360	$ 25,598	$ -0-	$ 220,805
	2007	$ 94,794	$ 135,206	$ 30,821	$ -0-	$ 260,821
	2006	$ 76,500	$ 118,100	$ 94,217	$ -0-	$ 288,817
Michael Berk, President of Programming	2008	$ 84,238	$ 102,615	$ 25,598	$ -0-	$ 212,451
	2007	$ 90,376	$ 139,624	$ 30,821	$ -0-	$ 260,821
	2006	$ 37,850	$ 127,833	$ 94,217	$ -0-	$ 259,900

(1) The amounts in columns (e) and (f) reflect the dollar amount recognized for financial statement reporting purposes for the years ended December 31, 2008, 2007 and 2006, in accordance with SFAS 123(R) of awards of stock and stock options and thus include amounts from awards granted in and prior to 2006. Assumptions used in the calculation of this amount are included in Note 3 of our audited financial statements for the fiscal year ended December 31, 2008 included in Part II, Item 7, Financial Statements and Supplementary Data of this Annual Report on Form 10-K.
Employment Agreements

In 2006 we employed Mr. Bradley under an extension of his employment agreement. This agreement provides that Mr. Bradley is entitled to receive an annual salary of $150,000. Provided that established criteria are met, Mr. Bradley is also entitled to 10% of all royalties that we receive from sources directly resulting from his efforts. He is also entitled to participate in any and all employee benefit plans established for the employees of the Company. The employment agreement confers upon Mr. Bradley a right of first refusal with respect to any proposed sale of all or a substantial portion of the Company's assets. The employment agreement does not contain a covenant not to compete preventing Mr. Bradley from competing with the Company after the termination of the employment agreement.

On January 1, 2005, we entered into a five-year employment agreement with Mr. Michael Berk, our President of Programming pursuant to which we agreed to pay Mr. Berk an annual salary of $150,000 plus 10% of all royalties that we receive from sources directly resulting from his efforts.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth information with respect to the value of all unexercised options previously awarded to the Named Executive Officers at the fiscal year ended December 31, 2008.

Name (a)	Number of Securities Underlying Unexercised Options (#) Exercisable (b)(1)	Number of Securities Underlying Unexercised Options (#) Unexercisable (c)	Option Exercise Price ($) (e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested (#) (f)	Market Value of Shares or Units of Stock That Have Not Vested ($) (g)
Mark Bradley	250,000	—	0.25	2/25/2009	—	—
	250,000	—	0.20	02/15/2011	—	—
	25000	—	0.20	02/15/2011	—	—
Michael Berk	250,000	—	0.25	2/25/2009	—	—
	250,000	—	0.20	02/15/2011	—	—
	25,000	—	0.20	02/15/2011	—	—

(1) The options were fully vested on the date of grant.

Termination of Employment

Mr. Bradley and Mr. Berk are each parties to employment agreements with the Company that provide for severance benefits in the event their employment is terminated by the Company (other than as a result of death or for cause) or by the employee as a result of a material breach by the Company of the employment agreement. In the event of such termination, the employee will be entitled to his base salary and all benefits for the remainder of the term of the employment agreement plus a lump sum cash payment in an amount equal to two times his then current base salary and annual bonus (without regard to the performance requirements associated with such bonus). In addition, all outstanding stock options will be immediately vested. If the employee or his family is ineligible under the terms of any insurance to continue to be covered, the Company will either provide substantially equivalent coverage or pay the employee a lump sum payment equal to the value of the continuation of such insurance coverage.

Director Compensation

The table below summarizes the compensation that we paid to non-employee directors for the years ended December 31, 2008.

Name (a)	Year	Stock Awards ($) (c)	Option Awards ($) (d)	All Other Compensation ($) (g)(1)	Total ($) (h)
Doug Miller (1)	2008	$ -0-	$ 2,327	$ -0-	$ 2,327
Morden C. Lazarus (2)	2008	$ -0-	$ 2,327	$ -0-	$ 2,327
Terry Debono (3)	2008	$ 10,000	$ 11,635-	$ -0-	$ 21,635

Leonard J. Parisi (4)	2008	$ -0-	$ 3,000	$ -0-	$ 3,000
John J. English (5)	2008	$ -0-	$ 3,000	$ -0-	$ 3,000

The amounts in columns (c) and (d) reflect the dollar amount recognized for financial statement reporting purposes for the years ended December 31, 2008, in accordance with SFAS 123(R) of awards of stock and stock options and thus include amounts from awards granted in and prior to 2008. Assumptions used in the calculation of this amount are included in Note 3 of our audited financial statements for the year ended December 31, 2008 included in Part II, Item 8, Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

(1) On February 15, 2008 the Company granted Doug Miller cashless options to purchase 25,000 shares of its common stock in exchange for services rendered as a director. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date.
(2) On February 15, 2008 the Company granted former director, Morden Lazarus cashless options to purchase 25,000 shares of its common stock in exchange for services rendered as a director. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date.
(3) On February 13, 2008 the Company issued 100,000 shares of common stock to its former director, Terry Debono for consulting services. On February 15, 2008 the Company granted former director, Terry Debono cashless options to purchase 100,000 shares of its common stock in exchange for services at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. On February 15, 2008 the Company granted former director, Terry Debono cashless options to purchase 25,000 shares of its common stock in exchange for services rendered as a director. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date.
(4) On December 8, 2008 the Company issued 100,000 shares of common stock as compensation for service on the board of directors to Leonard Parisi.
(5) On December 8, 2008 the Company issued 100,000 shares of common stock as compensation for service on the board of directors to John English.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table presents information, to the best of our knowledge, about the beneficial ownership of our common stock on April 9, 2009, held by those persons known to beneficially own more than 5% of our capital stock and by our directors and executive officers.

Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and does not necessarily indicate beneficial ownership for any other purpose. Under these rules, beneficial ownership includes those shares of common stock over which the stockholder has sole or shared voting or investment power. It also includes (unless footnoted) shares of common stock that the stockholder has a right to acquire within 60 days after April 9, 2009 through the exercise of any option, warrant or other right. The percentage ownership of the outstanding common stock, however, is based on the assumption, expressly required by the rules of the Securities and Exchange Commission, that only the person or entity whose ownership is being reported has converted options or warrants into shares of our common stock. Unless otherwise indicated, the address of each listed stockholder is c/o Players Network, 4620 Polaris Avenue, Las Vegas, NV 89103.

	Common Stock		Series A Preferred Stock	
Name of Beneficial Owner (1)	Number of Shares	Percentage of Class(2)	Number of Shares	Percentage of Class(3)
Mark Bradley, CEO and Director	7,215,252(4)	19%	1,000,000	50%
Michael Berk, President of Programming and Director	4,441,438(5)	11.7%	1,000,000	50%
Doug Miller, Director	220,000(6)	*	-	-
Morden C. Lazarus, Director	157,000(7)	*	-	-
Terry J. Debono, Director	468,000(8)	1.2%	-	-
Leonard Parisi	150,000	*		
John English	150,000	*		
Lyle A Berman Revocable Trust (9)	2,045,000	5.4%		
Directors and Officers as a Group (7 persons)	15,027,690(10)	33.9%	2,000,000	100%

* less than 1%
(1) Except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of Common Stock or Series A Preferred Stock owned by such person.
(2) Percentage of beneficial ownership is based upon 37,865,701 shares of Common Stock outstanding as of April 9, 2009. For each named person, this percentage includes Common Stock that the person has the right to acquire either currently or within 60 days of April 9, 2009, including through the exercise of an option; however, such Common Stock is not deemed outstanding for the purpose of computing the percentage owned by any other person.
(3) Percentage of beneficial ownership is based upon 2,000,000 shares of Series A Preferred Stock outstanding as of April 9, 2009.
(4) Includes stock options to purchase 1,125,000 shares of Common Stock exercisable within 60 days of April 9, 2009 and 25,000 shares held for the benefit of Mr. Bradley's minor daughter.
(5) Includes (i) 377,333 shares held by MJB Productions, which is 100% owned by Mr. Berk, and (ii) options to purchase 1,225,000 shares of Common Stock exercisable within 60 days of April 9, 2009.
(6) Includes options to purchase 75,000 shares of Common Stock exercisable within 60 days of April 9, 2009.
(7) Includes options to purchase 41,000 shares of Common Stock exercisable within 60 days of April 9, 2009.
(8) Includes options to purchase 175,000 shares of Common Stock exercisable within 60 days April 9, 2009, and includes 34,000 warrants exercisable for 34,000 shares of Common Stock exercisable within 60 days of April 9, 2009.
(9) As set forth in the Schedule 13G/A filed with the SEC on January 15, 2009.
(10) Includes options and warrants exercisable for 2,675,000 shares of Common Stock within 60 days April 9, 2009.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The Company rented the Company’s soundstage to GWIN, Inc., a company controlled by David Miller, a director of the Company, for $5,800 and $31,875 during the years ended 2008 and 2007, respectively.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The following table shows the fees paid or accrued for the audit and other services provided by our independent auditors for 2008 and 2007.

	2008	2007
Audit fees:		
Weaver & Martin, LLC	$ 20,000	$ 13,500
M&K CPAS, PLLC	—	—
Audit-related fees:	—	—
Weaver & Martin, LLC	9,000	12,000
M&K CPAS, PLLC	—	—
Tax fees:	—	—
All other fees:	—	—
Total fees paid or accrued to our principal accountant	$ 29,000	$ 25,500

We do not have an Audit Committee. Our board of directors acted as the Company's Audit Committee during fiscal 2008, recommending a firm of independent certified public accountants to audit the annual financial statements; reviewing the independent auditors’ independence, the financial statements and their audit report; and reviewing management's administration of the system of internal accounting controls.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

3.1(1) Articles of Incorporation, filed with the Commission on February 7, 2000.

3.2(1) Bylaws of the Company, filed with the Commission on February 7, 2000.

3.3(4) Certificate of Amendment of Articles of Incorporation adopting name change to Players Network filed with the Nevada Secretary of State on June 9, 1994.

3.4(5) Certificate of Amendment of Articles of Incorporation Increasing the Authorized Stock filed June 4, 2007

4.1(2) 2004 Non-Qualified Stock Option Plan.

4.2(3) 2006 Non-Qualified Attorneys & Accountants Stock Compensation Plan.

4.3 (6) Certificate of Designation for Series A Preferred Stock filed July 24, 2007.

10.1(4) Distribution Agreement between the Company and Comcast Programming Development, Inc. dated October 10, 2005. **

10.2(4) Employment Agreement dated January 1, 2005 for Mark Bradley Feldgreber.

10.3(4)	Employment Agreement dated January 1, 2005 for Michael Berk.
10.4(7)	Subscription Agreement dated as of October 10, 2007 by and between the Company and Timothy Sean Shiah
10.5(8)	Distribution Agreement dated June 5, 2008, between Players Network and MicroPlay, Inc. **
23.1*	Consent of Weaver & Martin LLC.
31.1*	Certification of Mark Bradley, CEO and Principal Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act.
32.1*	Certification of Mark Bradley, CEO and Principal Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act.

* Filed herewith
** Confidential Treatment Requested
(1) Filed as an exhibit to the Company’s Registration Statement on Form 10-SB filed with the Commission on February 7, 2000.
(2) Filed as an exhibit to the Company's Registration Statement on Form S-8 filed with the Commission on September 13, 2004.
(3) Filed as an exhibit to the Company's Registration Statement on Form S-8 filed with the Commission on January 18, 2007.
(4) Filed as an exhibit to the Company's Form 10-KSB filed with the Commission on April 13, 2007.
(5) Filed as an exhibit to the Company's Form 8-K filed with the Commission on June 8, 2007.
(6) Filed as an exhibit to the Company's Form 8-K filed with the Commission on July 26, 2007.
(7) Filed as an exhibit to the Company's Form 8-K filed with the Commission on December 5, 2007.
(8) Filed as an exhibit to the Company's Form 8-K filed with the Commission on June 12, 2008

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Players Network

We have audited the accompanying balance sheet of Players Network as of December 31, 2008 and the related statements of operations, changes in stockholders' equity (deficit), and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. The financial statements for the period of December 31, 2007 were audited by other auditors whose report expressed an unqualified opinion on those statements.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Players Network as of December 31, 2008, and the results of its operations, changes in stockholders' equity (deficit) and cash flows for the periods then in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has insufficient working capital, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ M&K CPAS, PLLC
www.mkacpas.com
Houston, Texas
April 14, 2009

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
Players Network
Las Vegas, Nevada

We have audited the accompanying balance sheets of Players Network, as of December 31, 2007 and the related statements of operations, stockholders' equity, and cash flows for the years then ended. Players Network's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. Our audit of the financial statements include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Players Network as of December 31, 2007, and the results of its operations, stockholders' equity, and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations. This factor raises substantial doubt about the Company's ability to continue as a going concern. Management's plans with regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Weaver & Martin, LLC
Kansas City, Missouri
March 30, 2008

Certified Public Accountants & Consultants
411 Valentine, Suite 300
Kansas City, Missouri 64111
Phone: (816) 756-5525
Fax: (816) 756-2252

Players Network
Balance Sheets

	December 31, 2008	December 31, 2007
Assets		
Current assets:		
Cash	$ -	$ 69,959
Accounts receivable, net of allowance for doubtful accounts of $5,000 and $32,947 as of December 31, 2008 and 2007, respectively	44,670	17,852
Prepaid expenses and other current assets	-	11,839
Total current assets	44,670	99,650
Fixed assets, net	1,683	5,294
Total Assets	$ 46,353	$ 104,944
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Checks written in excess of available funds	$ 2,176	$ -
Deferred revenues	-	33,333
Accounts payable	393,090	341,675
Accrued expenses	353,551	303,173
Current maturities of long term debt, net of discount of $26,297 and $-0- at December 31, 2008 and 2007, respectively	423,303	5,000
Total current liabilities	1,172,120	683,181
Long Term Debt, net of discount of $-0- and $84,705 at December 31, 2008 and 2007, respectively	25,000	345,295
Total Liabilities	1,197,120	1,028,476
Stockholders' equity (deficit):		
Preferred stock, $0.001 par value, 2,000,000 shares authorized; 2,000,000 and 800,000 shares issued and outstanding at December 31, 2008 and 2007	2,000	800
Common stock, $0.001 par value, 150,000,000 shares authorized; 35,092,342 and 29,267,569 shares issued and outstanding at December 31, 2008 and 2007	35,092	29,267
Additional paid-in capital	14,711,305	14,165,616
Accumulated (deficit)	(15,899,164)	(15,119,215)
Total Stockholders’ Equity (Deficit)	(1,150,767)	(923,532)
Total Liabilities and Stockholders’ Equity (Deficit)	$ 46,353	$ 104,944

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

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Players Network
Statements of Operations

	For the years ended December 31, 2008	2007
Revenue		
Network	$ 54,864	$ 62,577
Production and other	244,641	263,582
Total revenue	299,505	326,159
Expenses:		
Direct operating costs	202,335	313,938
General and administrative	348,786	322,911
Bad debt	8,400	2,000
Officer salaries and wages	257,281	460,000
Salaries and wages	61,330	105,816
Consulting services	168,614	724,277
Rent	76,046	69,769
Depreciation and amortization	4,934	29,702
Total operating expenses	1,127,726	2,028,413
Net operating (loss)	(828,221)	(1,702,254)
Other income (expense):		
Interest expense	(89,434)	(90,226)
Financing costs	-	(63,203)
Loss on disposal of fixed assets	-	(31,477)
Forgiveness of debt	137,706	89,728
Total other income (expense)	48,272	(95,178)
Net (loss)	$ (779,949)	$ (1,797,432)
Weighted average number of common shares outstanding - basic and fully diluted	31,391,891	26,330,539
Net (loss) per share - basic and fully diluted	$ (0.02)	$ (0.07)

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

Players Network
Statements of Changes in Stockholders' Equity (Deficit)

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Shares Owed & Unissued	Additional Paid-in Capital	Accumulated (Deficit)	Stockholders' Equity (Deficit)
Balance, December 31, 2006	-	$ -	22,209,351	$ 22,209	$ 1,277	$ 12,409,417	$ (13,321,783)	$ (888,880)
Shares issued for cash	-	-	2,481,333	2,481	-	469,719	-	472,200
Shares issued for services	-	-	2,547,403	2,548	(610)	406,586	-	408,524
Shares issued for compensation, related party	800,000	800	1,852,313	1,852	(667)	345,844	-	347,829
Options granted for services	-	-	-	-	-	311,235	-	311,235
Options granted for services, related party	-	-	-	-	-	79,035	-	79,035
Warrants extended, financing cost	-	-	-	-	-	63,203	-	63,203
Shares issued for debt conversion	-	-	177,169	177	-	26,398	-	26,575
Amortization of prepaid share-based compensation	-	-	-	-	-	54,179	-	54,179
Net (loss) for the year ended December 31, 2007							(1,797,432)	(1,797,432)

Balance, December 31, 2007	800,000	$ 800	29,267,569	$ 29,267	$ -	$ 14,165,616	$ (15,119,215)	$ (923,532)
Stock based compensation	-	-	-	-	-	96,826	-	96,826
Shares issued for services	-	-	2,989,500	2,990	-	135,261	-	138,251
Shares issued for compensation	1,200,000	1,200	2,235,273	2,235	-	177,638	-	181,073
Shares issued for debt	-	-	600,000	600	-	38,400	-	39,000
Options granted for services	-	-	-	-	-	51,022	-	51,022
Options granted for compensation	-	-	-	-	-	46,542	-	46,542
Net (loss) for the year ended December 31, 2008							(779,949)	(779,949)
Balance, December 31, 2008	2,000,000	$ 2,000	35,092,342	$ 35,092	$ -	$ 14,711,305	$ (15,899,164)	$ (1,150,767)

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

Players Network
Statements of Cash Flows

	For the years ended December 31, 2008	2007
Cash flows from operating activities		
Net (loss)	$ (779,949)	$ (1,797,432)
Adjustments to reconcile net (loss) to net cash (used) by operating activities:		
Bad debts expense	8,400	2,000
Depreciation and amortization expense	4,934	29,701
Loss on disposal of fixed assets	-	31,477
Forgiveness of debt	(137,706)	(89,728)
Amortization of beneficial conversion feature	58,408	55,168
Stock based compensation	96,826	-
Stock issued for services	138,251	408,524
Stock issued for compensation	181,073	347,829
Options and warrants granted for services	51,022	507,652
Options granted for compensation	46,542	-
Decrease (increase) in assets and liabilities:		
Accounts receivable	(35,218)	(15,602)
Prepaid expenses and other current assets	11,839	(9,974)
Checks written in excess of deposits	2,176	-
Deferred revenues	(33,333)	33,333
Accounts payable	228,121	(65,433)
Accrued expenses	50,378	138,737
Net cash (used) in operating activities	(108,236)	(423,748)
Cash flows from investing activities		
Purchase of fixed assets	(1,323)	-
Net cash (used) in investing activities	(1,323)	-
Cash flows from financing activities		
Proceeds from long term debt	39,600	12,500
Repayment of long term debt	-	(7,500)
Proceeds from sale of common stock	-	472,200
Net cash provided by financing activities	39,600	477,200
Net decrease (increase) in cash	(69,959)	53,452
Cash - beginning	69,959	16,507
Cash - ending	$ -	$ 69,959
Supplemental disclosures:		
Interest paid	$ 8,631	$ 6,792
Income taxes paid	$ -	$ -
Non-cash transactions:		
Stock issued for debt	$ 39,000	$ -

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

Players Network
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies

Company Background
Players Network (PNTV) was incorporated in the State of Nevada in March of 1993. Our business for most of our existence has been the ownership and operation of a digital 24-hour gaming and entertainment network called "PLAYERS NETWORK," which specializes in producing television programming to serve the gaming industry. Our programming is broadcast directly into the guestrooms of casino and non-casino hotels on a customized private cable channel. Our format is designed to educate new players and promote casino games and activities. Our programming includes shows on basic gaming instruction, news, sports and racing, entertainment and tournaments.

Although we will continue the PLAYERS NETWORK, in the future we intend to focus on distributing our programming through a new Broadband Network, which was launched near the end of July 2005, and through cable television, broadcast and satellite television, Video On Demand, Pay-Per-View, DVD distribution, television syndication, radio, print, and out-of-home media including mobile devices, additional land-based locations, in-flight venues, and on-board sources.

Reclassifications
Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

Use of estimates
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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents
PNTV maintains cash balances in interest and non-interest-bearing accounts, which do not currently exceed federally insured limits. For the purpose of the statements of cash flows, all highly liquid investments with an original maturity of three months or less are considered to be cash equivalents. As of December 31, 2008 and 2007, there were no cash equivalents.

Income taxes
PNTV recognizes deferred tax assets and liabilities based on differences between the financial reporting and tax basis of assets and liabilities using the enacted tax rates and laws that are expected to be in effect when the differences are expected to be recovered. PNTV provides a valuation allowance for deferred tax assets for which it does not consider realization of such assets to be more likely than not.

Segment Reporting
The Company follows SFAS No. 131 "Disclosures about Segments of an Enterprise and Related Information". The Company operates as a single segment and will evaluate additional segment disclosure requirements as it expands its operations.

Fair value of Financial Instruments
The FASB issued SFAS No. 157, "Fair Value Measurements" ("SFAS 157") that defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosures about fair

value measurements. This Statement reaffirms that fair value is the relevant measurement attribute. The adoption of SFAS No. 157 did not have a material effect on the Company's consolidated financial statements as reflected herein. The carrying amounts of cash, accounts receivable, accounts payable, loan payable and convertible debentures reported on the balance sheet are estimated by management to approximate fair value primarily due to the short term nature of the instruments.

Players Network
Notes to Financial Statements

Revenue recognition
For revenue from product sales, the Company recognizes revenue in accordance with SEC Staff Accounting Bulletin No. 104, “Revenue Recognition in Financial Statements” (“SAB 104”). SAB 104 requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management’s judgment regarding the fixed nature of the selling prices of the products delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company defers any revenue for which the product has not been delivered or is subject to refund until such time that the Company and the customer jointly determine that the product has been delivered or no refund will be required.

Network revenue consists of monthly network broadcast subscription revenue, which is recognized as the service is performed. Broadcast television advertising revenue is recognized when advertisements are aired. Video production revenue is recognized as digital video film is completed and accepted by the customer. Stage rentals are recognized during the rental period.

Fixed assets
Fixed assets are stated at the lower of cost or estimated net recoverable amount. The cost of property, plant and equipment is depreciated using the straight-line method based on the lesser of the estimated useful lives of the assets or the lease term based on the following life expectancy:

Video Filming and broadcast equipment	10 years
Computer and office equipment	3-7 years

Repairs and maintenance expenditures are charged to operations as incurred. Major improvements and replacements, which have extend the useful life of an asset, are capitalized and depreciated over the remaining estimated useful life of the asset. When assets are retired or sold, the cost and related accumulated depreciation and amortization are eliminated and any resulting gain or loss is reflected in operations.

Impairment of long-lived assets
Long-lived assets held and used by PNTV are reviewed for possible impairment whenever events or circumstances indicate the carrying amount of an asset may not be recoverable or is impaired. Recoverability is assessed using undiscounted cash flows based upon historical results and current projections of earnings before interest and taxes. Impairment is measured using discounted cash flows of future operating results based upon a rate that corresponds to the cost of capital. Impairments are recognized in operating results to the extent that carrying value exceeds discounted cash flows of future operations. PNTV recognized impairment losses on the disposal of fixed assets of $-0- and $31,477 during 2008 and 2007, respectively.

Advertising Costs
The Company expenses the cost of advertising as incurred. Advertising expense was $7,965 and $8,090 for the years ended December 31, 2008 and 2007, respectively.

Players Network
Notes to Financial Statements

Allowance for Doubtful Accounts
We generate a portion of our revenues and corresponding accounts receivable from the Casino and Hotel industry. As of December 31, 2008, approximately 55% of our accounts receivable were attributed to Casinos and Hotels. We evaluate the collectability of our accounts receivable considering a combination of factors. In circumstances where we are aware of a specific customer's inability to meet its financial obligations to us, we record a specific reserve for bad debts against amounts due in order to reduce the net recognized receivable to the amount we reasonably believe will be collected. For all other customers, we recognize reserves for bad debts based on past write-off experience and the length of time the receivables are past due. Bad debts expense was $8,400 and $2,000 for the years ended December 31, 2008 and 2007, respectively.

Basic and diluted loss per share
The basic net loss per common share is computed by dividing the net loss by the weighted average number of common shares outstanding. Diluted net loss per common share is computed by dividing the net loss adjusted on an "as if converted" basis, by the weighted average number of common shares outstanding plus potential dilutive securities. For 2008 and 2007, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share.

Stock-based compensation
In December 2004, the FASB issued SFAS No. 123 (revised 2004). Share-Based Payment, which is a revision of SFAS No. 123, Accounting for Stock-Based Compensation. SFAS No. 123(R) supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees and amends SFAS No. 95, Statement of Cash Flows. Generally, the approach in SFAS No. 123(R) is similar to the approach described in SFAS No. 123. However, SFAS No. 123(R) requires all share-based payments to employees, including grants of employee stock options, to be recognized in the income statement based on their fair values. Pro forma disclosure is no longer an alternative. PNTV adopted SFAS No. 123 (R) during the fourth quarter of 2005. Stock and stock options issued for services, debt, and compensation totaled $552,713 and $1,200,803 for the years ended December 31, 2008 and 2007, respectively.

Recently Adopted Accounting Pronouncements
During September 2006, the FASB issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements ("FAS 157"). FAS 157 defines fair value, establishes a framework for measuring fair value and requires enhanced disclosures about fair value measurements. FAS 157 requires companies to disclose the fair value of financial instruments according to a fair value hierarchy as defined in the standard. In February 2008, the FASB issued FASB Staff Position 157-1, Application of FASB Statement No. 157 to FASB Statement No. 13 and Other Accounting Pronouncements That Address Fair Value Measurements for Purposes of Lease Classification or Measurement under Statement 13 ("FSP 157-1") and FSP 157-2, Effective Date of FASB Statement No. 157 ("FSP 157-2"). FSP 157-1 amends FAS 157 to remove certain leasing transactions from its scope. FSP 157-2 delays the effective date of FAS 157 for all non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis, until fiscal years beginning after November 15, 2008. These nonfinancial items include assets and liabilities such as reporting units measured at fair value in a goodwill impairment test and nonfinancial assets acquired and liabilities assumed in a business combination. FAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007 and was adopted by the Company, as it applies to its financial instruments, effective January 1, 2008. The Company has considered the guidance provided by FSP 157-3 in its determination of estimated fair values as of December 31, 2008, and assessed there was no impact (See Note 12).

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Players Network
Notes to Financial Statements

Recently Issued Accounting Pronouncement

During May 2008, the FASB issued Statement of Financial Accounting Standards No. 162, The Hierarchy of Generally Accepted Accounting Principles (“FAS 162”). FAS 162 identifies the sources of accounting principles and the framework for selecting principles to be used in the preparation and presentation of financial statements in accordance with generally accepted accounting principles. This statement will be effective 60 days after the Securities and Exchange Commission approves the Public Company Accounting Oversight Board’s amendments to AU Section 411, The Meaning of ‘Present Fairly in Conformity With Generally Accepted Accounting Principles’. The adoption of SFAS 162 is not expected to have a material impact on the Company’s financial position, results of operation or cash flows.

During March 2008, the FASB issued Statement of Financial Accounting Standards No. 161, Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB Statement No. 133 (“FAS 161”). This new standard requires enhanced disclosures for derivative instruments, including those used in hedging activities. It is effective for fiscal years and interim periods beginning after November 15, 2008, and will be applicable to the Company in the first quarter of fiscal 2009. The adoption of SFAS 161 is not expected to have a material impact on the Company’s financial position, results of operation or cash flows.

In December 2007, the FASB issued SFAS No. 160, “Non-controlling Interests in Consolidated Financial Statements”. This statement amends ARB 51 to establish accounting and reporting standards for the non-controlling (minority) interest in a subsidiary and for the de-consolidation of a subsidiary. It clarifies that a non-controlling interest in a subsidiary is equity in the consolidated financial statements. SFAS No. 160 is effective for fiscal years and interim periods beginning after December 15, 2008. The adoption of SFAS 160 is not expected to have a material impact on the Company’s financial position, results of operation or cash flows.

In December 2007, the FASB issued SFAS No. 141 (Revised), “Business Combinations”. SFAS 141 (Revised) establishes principals and requirements for how an acquirer of a business recognizes and measures in its financial statements, the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree. This statement also provides guidance for recognizing and measuring the goodwill acquired in the business combination and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The guidance will become effective for the fiscal year beginning after December 15, 2008. The adoption of SFAS 141 is not expected to have a material impact on the Company’s financial position, results of operation or cash flows.

Note 2 – Going Concern

As shown in the accompanying condensed financial statements, the Company has incurred recurring net losses of $779,949 and $1,797,432 in 2008 and 2007, respectively, and has an accumulated deficit of $15,899,164 and a working capital deficit of $1,127,450 as of December 31, 2008. These factors raise substantial doubt about the Company’s ability to continue as a going concern. Management is actively pursuing new ventures to increase revenues. In addition, the Company is currently seeking additional sources of capital to fund short term operations. The Company, however, is dependent upon its ability to secure equity and/or debt financing and there are no assurances that the Company will be successful, therefore, without sufficient financing it would be unlikely for the Company to continue as a going concern.

Players Network
Notes to Financial Statements

The financial statements do not include any adjustments that might result from the outcome of any uncertainty as to the Company's ability to continue as a going concern. The financial statements also do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 3 – Related Party

Officers
In January 2005 PNTV entered into an employment agreement with its president and CEO for a period of five years. PNTV agreed to pay an annual salary in the amount of $150,000. Additional compensation will be paid equal to 10% of royalty income received by PNTV from sources directly resulting from the CEO's efforts. As of December 31, 2008 and 2007, no additional compensation has been recorded as a result of royalty income. The agreement allows the CEO to elect to receive restricted stock in exchange for unpaid salaries at a discounted price equal to 80% of the average 30-day trading price prior to each election. The CEO elected to forego a total of $28,153 in unpaid compensation during the year ended December 31, 2008 via elections to convert stock at a price in excess of the fair market value of the common stock at the grant date. The CEO has agreed to not issue stock in excess of the available authorized shares.

The CEO accepted 924,000 and 367,647 shares of common stock in exchange for $43,360 and $55,206 of unpaid salary during the years ended December 31, 2008 and 2007, respectively, as well as, 600,000 shares of preferred stock with a 1:1 conversion ratio into common stock in exchange for $30,000 of unpaid salary during the year ended December 31, 2008. During the year ended December 31, 2007, the CEO also received bonuses in the form of 400,000 shares of preferred stock valued at $80,000 based on the fair market value of the Company's common stock at the date of issuance.

The CEO also received options to purchase 250,000 shares of common stock at an exercise price of $0.20 with a 3-year life during the year ended December 31, 2008. The estimated value of the options, using the Black-Scholes pricing model, is $23,271, which was expensed as share-based compensation in 2008. The CEO also received options to purchase 25,000 shares of common stock at an exercise price of $0.20 with a 3-year life for his service on the Board of Directors during the year ended December 31, 2008. The estimated value of the options, using the Black-Scholes pricing model, is $2,327, which was expensed as share-based compensation in 2008.

In January, 2005 PNTV entered into a five-year employment agreement with its President of Programming. PNTV agreed to pay an annual salary of $150,000 during the term of the agreement. Additional compensation will be paid equal to 10% of royalty income received by PNTV from sources directly resulting from the President of Programming efforts. As of December 31, 2008, no additional compensation has been recorded as a result of royalty income. The agreement allows the President of Programming to elect to receive restricted stock in exchange for unpaid salaries at a discounted price equal to 80% of the average 30-day trading price prior to each election. The President of Programming elected to forego a total of $65,762 in unpaid compensation during the year ended December 31, 2008 via elections to convert stock at a price in excess of the fair market value of the common stock at the grant date. The President of Programming has agreed to not issue stock in excess of the available authorized shares.

Players Network
Notes to Financial Statements

The President of Programming accepted 1,231,273 and 397,000 shares in exchange for $72,615 and $59,624 of unpaid salary during the years ended December 31, 2008 and 2007, respectively, as well as, 600,000 shares of preferred stock with a 1:1 conversion ratio into common stock in exchange for $30,000 of unpaid salary during the year ended December 31, 2008. During the year ended December 31, 2007, the President of Programming also received bonuses in the form of 400,000 shares of preferred stock valued at $80,000 based on the fair market value of the Company's common stock at the date of issuance.

The President of Programming also received options to purchase 250,000 shares of common stock at an exercise price of $0.20 with a 3-year life during the year ended December 31, 2008. The estimated value of the options, using the Black-Scholes pricing model, is $23,271, which was expensed as share-based compensation in 2008. The President of Programming also received options to purchase 25,000 shares of common stock at an exercise price of $0.20 with a 3-year life for his service on the Board of Directors during the year ended December 31, 2008. The estimated value of the options, using the Black-Scholes pricing model, is $2,327, which was expensed as share-based compensation in 2008.

Officer compensation expense was $257,281 and $460,000 at December 31, 2008 and 2007, respectively. The balance owed was $-0- and $39,967 at December 31, 2008 and 2007, respectively.

Board of Directors
On February 15, 2008 the Company granted Doug Miller cashless options to purchase 25,000 shares of its common stock in exchange for services as a board member. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $2,327.

During the year ended December 31, 2007 the Company granted Doug Miller, a director of the Company, options to purchase 50,000 shares of common stock at an exercise price of $.28 with a three-year life. The estimated value of the options, using the Black-Scholes pricing model, is $9,148, which was expensed as share-based consulting expense. The Company also issued Mr. Miller 50,000 and another 30,000 shares of common stock at $0.21 and $0.17 cents per share, respectively, for services rendered during 2007.

Doug Miller is also the president of GWIN, Inc; (DBA/ Winning Edge) PNTV generated revenues from GWIN, Inc. of approximately $5,800 and $31,875 in 2008 and 2007, respectively.

On December 8, 2008 the Company issued 100,000 shares of common stock as compensation for service on the board of directors to John English. The fair value of the common stock was $3,000.

On December 8, 2008 the Company issued 100,000 shares of common stock as compensation for service on the board of directors to Leonard Parisi. The fair value of the common stock was $3,000.

On February 15, 2008 the Company granted former director, Morden Lazarus cashless options to purchase 25,000 shares of its common stock in exchange for services as a board member. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $2,327.

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During the year ended December 31, 2007 the Company issued Morden Lazarus, a director of the Company, 16,000 shares of common stock at $.15 per share for services rendered during 2007. These shares were expensed as a stock-based consulting expense.

On February 13, 2008 the Company issued 100,000 shares of common stock to its former director, Terry Debono for consulting services. The total fair value of the common stock on February 13, 2008 was $10,000.

On February 15, 2008 the Company granted former director, Terry Debono cashless options to purchase 100,000 shares of its common stock in exchange for services at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model was $9,308.

On February 15, 2008 the Company granted former director, Terry Debono cashless options to purchase 25,000 shares of its common stock in exchange for services as a board member. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $2,327.

During the year ended December 31, 2007 the Company granted former director, Terry Debono, a director of the Company, cashless options to purchase 50,000 shares of common stock at an exercise price of $.25 with a three-year life. The estimated value of the options, using the Black-Scholes pricing model, is $8,245, which was expensed as share-based consulting expense. The Company also issued Mr. Debono 125,000 shares of common stock at $0.20 cents per share for services rendered during 2007.

Note 4 – Property and Equipment

Property and equipment consist of the following:

	December 31, 2008	December 31, 2007
Computers and office equipment	$ 22,151	$ 20,828
Less accumulated depreciation	(20,468)	(15,534)
	$ 1,683	$ 5,294

Depreciation expense totaled $4,934 and $29,702 for 2008 and 2007, respectively.

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Note 5 – Accrued Expenses

As of December 31, 2008 and 2007 accrued expenses included the following:

	December 31, 2008	December 31, 2007
Customer Deposits	$ 13,500	$ -
Accrued Payroll and Payroll Taxes	282,012	267,529
Accrued Interest	58,039	35,644
	$ 353,551	$ 303,173

Note 6 – Long Term Debt

Long-term debt consists of the following at December 31, 2008, and December 31, 2007:

	2008	2007
8% unsecured convertible debentures, due in September 2011, convertible into 500,000 shares of common stock at any time prior to maturity based on a conversion price of $0.05 per share. Accrued interest is convertible as well at a conversion price of $0.05 per share.	$ 25,000	$ -
8% unsecured convertible debentures, due in March 2009, convertible into 166,667 shares of common stock at any time prior to maturity based on a conversion price of $0.06 per share. Accrued interest is convertible as well at a conversion price of $0.06 per share.	10,000	-
5% unsecured convertible debentures, due in September 2009, convertible into 333,333 shares of common stock at any time prior to maturity based on a conversion price of $0.15 per share. Accrued interest is convertible as well at a conversion price of $0.15 per share.	50,000	50,000
5% unsecured convertible debentures, due in August 2009, convertible into 400,000 shares of common stock at any time prior to maturity based on a conversion price of $0.15 per share. Accrued interest is convertible as well at a conversion price of $0.15 per share.	60,000	60,000
5% unsecured convertible debentures, due in June 2009, convertible into 200,000 shares of common stock at any time prior to maturity based on a conversion price of $0.15 per share. Accrued interest is convertible as well at a conversion price of $0.15 per share.	30,000	30,000
5% unsecured convertible debentures, due in June 2009, convertible into 100,000 shares of common stock at any time prior to maturity based on a conversion price of $0.15 per share. Accrued interest is convertible as well at a conversion price of $0.15 per share.	15,000	15,000
5% unsecured convertible debentures, due in May 2009, convertible into 166,667 shares of common stock at any time prior to maturity based on a conversion price of $0.15 per share. Accrued interest is convertible as well at a conversion price of $0.15 per share.	25,000	25,000
5% unsecured convertible debentures, due in March 2009, convertible into 571,429 shares of common stock at any time prior to maturity based on a conversion price of $0.35 per share. Accrued interest is convertible as well at a conversion price of $0.35 per share.	200,000	200,000
5% unsecured convertible debentures, due in February 2009, convertible into 71,429 shares of common stock at any time prior to maturity based on a conversion price of	25,000	25,000

$0.35 per share. Accrued interest is convertible as well at a conversion price of $0.35 per share.				
5% unsecured convertible debentures, due in February 2009, convertible into 71,429 shares of common stock at any time prior to maturity based on a conversion price of $0.35 per share. Accrued interest is convertible as well at a conversion price of $0.35 per share.		25,000		25,000
Unsecured demand note, non interest bearing.		4,600		-
Unsecured demand note due to a former Director of the Company. The non interest bearing debt was converted to stock on January 9, 2009 (See Note 13).		5,000		5,000
Total debt		474,600		435,000
Less: current portion		423,303		5,000
Less: discount on beneficial conversion feature		26,297		-
Long-term debt, less current portion		25,000		430,000
Less: discount on beneficial conversion feature		-		84,705
Long-term debt, less current portion and discount on BCF	$	25,000	$	345,295

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Future maturities of long-term debt are as follows as of December 31, 2008:

2009	$ 449,600
2010	-
2011	25,000
Thereafter	-
	$ 474,600

Accrued interest on the above convertible notes totaled $58,039 and $35,644 at December 31, 2008 and 2007, respectively.

Interest expense totaled $89,434 and $90,226 for the years ended December 31, 2008 and 2007, respectively, of which $8,631 and $12,664, respectively, was incurred from credit card finance charges and accounts payable finance charges.

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In addition, in accordance with EITF No. 98-5, "Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios"("EITF 98-5") and EITF No. 00-27, "Application of Issue No. 98-5 to Certain Convertible Instruments" ("EITF 00-27"), the Company recognized and measured the embedded beneficial conversion feature present in the convertible debt, by allocating a portion of the proceeds equal to the intrinsic value of the feature to additional paid-in-capital. The intrinsic value of the feature was calculated on the commitment date using the effective conversion price between the detachable common stock issued and the convertible debt. This intrinsic value is limited to the portion of the proceeds allocated to the convertible debt.

The aforementioned accounting treatment resulted in a total debt discount equal to ($167,952). The discount is amortized over a three-year period, from the date of issuance until the stated redemption date of the debt.

According to the terms of the Convertible Promissory Notes, the estimated number of shares that would be received upon conversion was 2,844,228 shares at December 31, 2008.

During the years ended December 31, 2008 and 2007, the Company recorded interest expense in the amount of $58,408 and $55,168, respectively, attributed to the amortization of the aforementioned debt discount.

Note 7 – Income taxes

The Company accounts for income taxes under Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes" ("SFAS No. 109"), which requires use of the liability method. SFAS No. 109 provides that deferred tax assets and liabilities are recorded based on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences.

For the years ended December 31, 2008 and 2007, the Company incurred a net operating loss and, accordingly, no provision for income taxes has been recorded. In addition, no benefit for income taxes has been recorded due to the uncertainty of the realization of any tax assets. At December 31, 2008, the Company had approximately $9,400,000 of federal net operating losses. The net operating loss carry forwards, if not utilized, will begin to expire in 2025.

The components of the Company's deferred tax asset are as follows:

	December 31, 2008	December 31, 2007
Deferred tax assets:		
Net operating loss carry forwards	$ 3,290,000	$ 3,115,000
Net deferred tax assets before valuation allowance	3,290,000	3,115,000
Less: Valuation allowance	(3,290,000)	(3,115,000)
Net deferred tax assets	$ -	$ -

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Based on the available objective evidence, including the Company's history of its loss, management believes it is more likely than not that the net deferred tax assets will not be fully realizable. Accordingly, the Company provided for a full valuation allowance against its net deferred tax assets at December 31, 2008 and 2007, respectively.

A reconciliation between the amounts of income tax benefit determined by applying the applicable U.S. and State statutory income tax rate to pre-tax loss is as follows:

	December 31,	
	2008	2007
Federal and state statutory rate	35%	35%
Change in valuation allowance on deferred tax assets	(35%)	(35%)

Note 8 – Stockholders' equity

Preferred stock (2008)

On December 8, 2008 the Company issued 400,000 shares of preferred stock to its CEO for unpaid compensation. The total fair value of the preferred stock was $12,000.

On December 8, 2008 the Company issued 400,000 shares of preferred stock to its President of Programming for unpaid compensation. The total fair value of the preferred stock was $12,000.

On April 29, 2008 the Company issued 200,000 shares of preferred stock to its CEO for unpaid compensation. The total fair value of the preferred stock on April 29, 2008 was $18,000.

On April 29, 2008 the Company issued 200,000 shares of preferred stock to its President of Programming for unpaid compensation. The total fair value of the preferred stock on April 29, 2008 was $18,000.

Preferred stock (2007)

On September 18, 2007 the board of directors authorized the issuance of 150,000 shares of series-A preferred stock to each of two of the Company's Officers as a compensation bonus. The preferred shares carry preferential voting rights of 25:1 and are convertible to common stock on a 1:1 basis. The total fair value of the common stock on September 18, 2007 was $60,000. The shares were issued on October 3, 2007.

On July 24, 2007, the Company designated 2,000,000 shares of its blank check preferred stock as "Series-A Preferred Stock" with 25:1 preferential voting rights and a 1:1 conversion into common stock feature.

On June 18, 2007 the board of directors authorized the issuance of 250,000 shares of series-A preferred stock to each of two of the Company's Officers as a compensation bonus. The preferred shares carry preferential voting rights of 25:1 and are convertible to common stock on a 1:1 basis. The total fair value of the common stock on June 18, 2007 was $100,000. The shares were issued on October 3, 2007.

Common stock (2008)

On December 8, 2008 the Company issued 60,000 shares of common stock to its CEO for unpaid compensation. The total fair value of the common stock was $1,800.

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On December 8, 2008 the Company issued 60,000 shares of common stock to its President of Programming for unpaid compensation. The total fair value of the common stock was $1,800.

On December 8, 2008 the Company issued common stock as compensation for service on the board of directors to two of its directors totaling 200,000 shares. The fair value of the common stock was $6,000.

On December 8, 2008 the Company issued 100,000 shares of common stock to a consultant for administrative services rendered. The total fair value of the common stock was $3,000.

On December 8, 2008 the Company issued 40,000 shares of common stock to a consultant for services rendered. The total fair value of the common stock was $1,200.

On December 8, 2008 the Company issued 20,000 shares of common stock to an employee as a bonus for services rendered. The total fair value of the common stock was $600.

On December 8, 2008 the Company issued 5,000 shares of common stock to a consultant for administrative services rendered. The total fair value of the common stock was $150.

On December 8, 2008 the Company issued 10,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $300.

On December 8, 2008 the Company issued 50,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $1,500.

On December 8, 2008 the Company issued 100,000 shares of common stock to a consultant for sales & marketing services rendered. The total fair value of the common stock was $3,000.

On December 8, 2008 the Company issued 300,000 shares of common stock to a consultant for prepaid equity promotion and marketing services. The fair market value of the shares was $10,500. The expense is being amortized over the six month life of the agreement. At December 31, 2008 $8,750 remained unamortized, and $1,750 had been expensed as share-based marketing expense.

On December 8, 2008 the Company issued 300,000 shares of common stock to a consultant for prepaid equity promotion and marketing services. The fair market value of the shares was $10,500. The expense is being amortized over the six month life of the agreement. At December 31, 2008 $8,750 remained unamortized, and $1,750 had been expensed as share-based marketing expense.

On December 8, 2008 the Company issued 5,000 shares of common stock to a consultant for equity promotion & marketing services rendered. The total fair value of the common stock was $150.

On November 17, 2008, the Company cancelled 50,000 shares of common stock to a consultant for services which had not been performed as agreed upon.

On September 9, 2008 the Company issued 300,000 shares of common stock to a consultant for services rendered. The total fair value of the common stock on September 9, 2008 was $12,000 related to business development activities.

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On September 9, 2008 the Company issued 300,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock on September 9, 2008 was $12,000.

On September 9, 2008 the Company issued 200,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock on September 9, 2008 was $8,000.

On September 9, 2008 the Company issued 20,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock on September 9, 2008 was $800.

On September 9, 2008 the Company issued 75,000 shares of common stock to a consultant for administrative services rendered. The total fair value of the common stock on September 9, 2008 was $3,000.

On September 9, 2008 the Company issued 25,000 shares of common stock to an employee as a bonus for services rendered. The total fair value of the common stock on September 9, 2008 was $1,000.

On September 9, 2008 the Company issued 5,000 shares of common stock to a consultant for administrative services rendered. The total fair value of the common stock on September 9, 2008 was $200.

On September 9, 2008 the Company issued 150,000 shares of common stock to a stock to a law firm for professional services rendered. The total fair value of the common stock on September 9, 2008 was $6,000.

On September 9, 2008 the Company issued 100,000 shares of common stock to a consultant for web based video production services rendered. The total fair value of the common stock on September 9, 2008 was $4,000.

On September 9, 2008 the Company issued 764,000 shares of common stock to its CEO for unpaid compensation. The total fair value of the common stock on September 9, 2008 was $30,560.

On September 9, 2008 the Company issued 764,000 shares of common stock to its President of Programming for unpaid compensation. The total fair value of the common stock on September 9, 2008 was $30,560.

On July 16, 2008 the Company issued 200,000 shares of common stock to a law firm for professional services rendered. The total fair value of the common stock on July 16, 2008 was $10,000.

On July 16, 2008 the Company issued 250,000 shares of common stock to a consultant for services rendered related to business development activities. The total fair value of the common stock on July 16, 2008 was $12,500.

On July 16, 2008 the Company issued 250,000 shares of common stock to a consultant for services rendered related to business development activities. The total fair value of the common stock on July 16, 2008 was $12,500.

On April 29, 2008 the Company issued 200,000 shares of preferred stock to its CEO for unpaid compensation. The total fair value of the preferred stock on April 29, 2008 was $18,000.

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On April 29, 2008 the Company issued 200,000 shares of preferred stock to its President of Programming for unpaid compensation. The total fair value of the preferred stock on April 29, 2008 was $18,000.

On April 29, 2008 the Company issued 227,273 shares of common stock to its President of Programming for unpaid compensation. The total fair value of the common stock on April 29, 2008 was $20,455.

On April 29, 2008 the Company issued 300,000 shares of common stock to one of its vendors as partial payment on the Company's outstanding accounts payable debt. The total fair value of the common stock on April 29, 2008 was $27,000. The vendor also agreed to forgive an additional $18,000 of accounts payable debt in accordance with the issuance.

On March 11, 2008, the Company issued 50,000 shares of common stock to a consultant for services as part of a public relations agreement. These shares were valued at $10,000.

On February 13, 2008 the Company issued 100,000 shares of common stock to its CEO for unpaid compensation. The total fair value of the common stock on February 13, 2008 was $11,000.

On February 13, 2008 the Company issued 180,000 shares of common stock to its President of Programming for unpaid compensation. The total fair value of the common stock on February 13, 2008 was $19,800.

On February 13, 2008 the Company issued 100,000 shares of common to one of its directors for consulting services. The total fair value of the common stock on February 13, 2008 was $10,000.

On February 13, 2008, the Company issued 100,000 shares of common stock to a consultant for services. These shares were valued at $10,000.

On February 13, 2008, the Company issued 5,000 shares of common stock to a consultant for commissions related to the Company's sound stage rentals. These shares were valued at $500.

On February 13, 2008, the Company issued 20,000 shares of common stock to an employee as a bonus for services performed. These shares were valued at $2,000.

On February 13, 2008, the Company issued 12,000 shares of common stock to an employee as a bonus for services performed. These shares were valued at $1,200.

On February 13, 2008, the Company issued a total of 27,500 shares of common stock to four different consultants for services. These shares were valued at $2,750.

The Company issued 924,000 shares of common stock and 600,000 shares of preferred stock to the CEO for compensation for a total value of $73,360 for the year ended December 31, 2008.

The Company issued 1,231,273 shares of common stock and 600,000 shares of preferred stock to the President of programming for compensation for a total value of $102,615 for the year ended December 31, 2008.

Common stock (2007)

During the year ended December 31, 2007, the Company cancelled a total of 272,662 shares of common stock to six different consultants for services which had not been performed as agreed upon.

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Notes to Financial Statements

On December 4, 2007 the Company sold 750,000 shares of common stock, and warrants to purchase another 750,000 shares at $0.25 per share, to an accredited investor for $150,000.

On November 15, 2007 the Company authorized and issued 15,000 shares of restricted section 144, common stock to an employee for services performed. The common stock was valued at a total of $2,550.

On November 15, 2007 the Company authorized and issued 15,000 shares of restricted section 144, common stock to an employee for services performed. The common stock was valued at a total of $2,550.

On November 15, 2007 the Company authorized and issued 102,400 shares of restricted section 144, common stock to seven different consultants for services performed. The common stock was valued at a total of $17,408.

On November 15, 2007 the Company authorized and issued 30,000 shares of restricted section 144, common stock to a director for services performed. The common stock was valued at a total of $5,100. (See Note 8)

On September 18, 2007 the Company authorized and issued 110,000 shares of restricted section 144, common stock to five different individuals for services performed. The common stock was valued at a total of $22,000.

On September 18, 2007 the Company authorized and issued 100,000 shares of restricted section 144, common stock to an investor relation company as part of an agreement that also called for the contribution of another 100,000 shares from a significant shareholder. The 100,000 shares of common stock were recorded as donated capital and valued at $20,000. The other 100,000 shares of common stock were also valued at $20,000. The entire expense of $40,000 was amortized over the 4 month life of the agreement. The unamortized balance was $-0- and $5,000 at December 31, 2008 and 2007, respectively, and $5,000 and $35,000 had been expensed as share-based equity marketing and promotions expense at December 31, 2008 and 2007, respectively.

On September 18, 2007 the Company authorized and issued 150,000 shares of unrestricted S-8 common stock for future legal services. The common stock was valued at a total of $30,000. The unamortized balance was $-0- and $22,500 at December 31, 2008 and 2007, respectively, and $22,500 and $7,500 had been expensed as share-based consulting expense at December 31, 2008 and 2007, respectively.

On September 18, 2007 the Company issued 177,169 shares of restricted section 144, common stock to a note holder per the conversion terms of the convertible promissory note. The shares were exchanged for $25,000 of principal and $1,575 of accrued interest.

On July 30, 2007 the Company entered into a consulting agreement for 120,000 shares of restricted “144” common stock as compensation, as well as the authorization of an additional 120,000 shares of unrestricted “S-8” common stock which were subsequently issued in August. These shares were valued at $18,000 and $27,000, respectively.

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On July 26, 2007 the Company sold 34,000 shares of common stock, and warrants to purchase another 34,000 shares at $0.25 per share, to an individual investor for $5,100.

On July 20, 2007 the Company sold 1,250,000 shares of common stock, and warrants to purchase another 1,250,000 shares at $0.25 per share, to an accredited investor for $250,000.

During the three months ending June 30, 2007, the Company sold 447,333 shares of common stock, and warrants to purchase another 447,333 shares at exercise prices ranging from $0.15 to $0.25 per share, to a total of six accredited investors for proceeds of $67,100.

During the three months ending June 30, 2007 the Company authorized and issued 557,500 shares of unrestricted S-8 common stock to twelve different individuals for services performed. The common stock was valued at a total of $79,900.

During the three months ending June 30, 2007 the Company authorized and issued 703,882 shares of restricted section 144, common stock to twelve different individuals for services performed. The common stock was valued at a total of $130,409.

On February 12, 2007, the Company issued 20,000 shares of common stock to a consultant for services. These shares were valued at $4,000.

On February 9, 2007, the Company authorized the issuance of a total of 500,000 shares of common stock to two of its officers for unpaid compensation. The total fair value of the common stock on February 9, 2007 was $75,000.

On February 9, 2007, the Company authorized the issuance of a total of 405,000 shares of common stock to eight different consultants for services performed. The fair market value of the stock totaled $60,750 on February 9, 2007.

On February 9, 2007, the Company also issued common stock as compensation for services to two of its directors totaling 216,000 shares. The fair value of the common stock was $32,400.

On February 9, 2007, the Company issued 110,715 shares of free trading common stock to a consultant for professional services rendered. The fair market value of the stock totaled $16,607.

On February 9, 2007, the Company issued 55,000 shares of free trading common stock to a consultant for services rendered. The fair market value of the stock totaled $8,250.

On January 31, 2007, the Company issued a total of 310,715 shares of free trading common stock to two different consultants for professional services rendered. The fair market value of the stock totaled $55,929.

On January 26, 2007, the Company issued 20,000 shares of common stock to a consultant for services. These shares were valued at $3,400.

On January 23, 2007, the Company issued a total of 130,000 shares of common stock to two different consultants for services. These shares were valued at $22,100.

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On January 19, 2007, the Company issued a total of 114,500 shares of common stock to six different consultants for services. These shares were valued at $19,550.

On January 19, 2007, the Company issued a total of 666,666 shares of common stock to two of its officers for services. These shares were valued at $113,333.

Note 9 – Warrants and options

Options and Warrants Granted (2008)

Options issued for Compensation

On February 15, 2008 the Company granted cashless options to purchase 250,000 shares of its common stock to the Company's CEO as a bonus for services performed at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $23,271.

On February 15, 2008 the Company granted cashless options to purchase 250,000 shares of its common stock to the Company's President of Programming as a bonus for services performed at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $23,271.

Options issued for Services

On February 15, 2008 the Company granted cashless options to purchase 100,000 shares of its common stock to a director of the Company in exchange for services at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model was $9,308.

On February 15, 2008 the Company granted 100,000 stock options to a consultant for services as part of a 30 day public relations agreement at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $9,308 and will be amortized as the services are performed. The Company expensed $4,654 in the six months ending June 30, 2008.

On February 15, 2008 the Company granted 100,000 stock options to a consultant for services rendered at an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $9,308.

On February 15, 2008 the Company granted 150,000 stock options to a consultant for services rendered at an exercise price of $0.20 per share, exercisable over 12 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.06, was $8,597.

On February 15, 2008 the Company granted 50,000 stock options to a consultant for services rendered at an exercise price of $0.20 per share, exercisable over 12 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.06, was $2,866.

On February 15, 2008 the Company granted cashless options to purchase 25,000 shares of its common stock to each of all five of the Company's directors in exchange for their services as board members. The options carry an exercise price of $0.20 per share, exercisable over 36 months from the grant date. The estimated value using the Black-Scholes pricing Model, based on a 180% volatility rate and a call option value of $0.09, was $2,327 each.

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Stock options issued to the CEO for bonus and service on the Board of Directors totaled 25,598 for the year ended December 31, 2008.

Stock options issued to the President of programming for bonus and service on the Board of Directors totaled 25,598 for the year ended December 31, 2008.

Options and Warrants Granted (2007)
On November 16, 2007, the Company authorized the extension of expired warrants to purchase 50,000 shares of its common stock to a previous investor of the Company. The warrants originally carried a twelve month term with an exercise price of $0.25 per share. The warrants were extended an additional twelve months and all other terms remained the same. The estimated value expensed in accordance with the extension using the Black-Scholes Pricing Model was $4,193.

On November 15, 2007, the Company granted 75,000 cashless stock options as part of a consulting agreement for services rendered. The options are exercisable until November 15, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $11,596.

On November 15, 2007, the Company granted 15,000 cashless stock options to an employee as a bonus for services rendered. The options are exercisable until November 15, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $2,319.

On November 15, 2007, the Company granted 15,000 cashless stock options to an employee as a bonus for services rendered. The options are exercisable until November 15, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $2,319.

On November 15, 2007, the Company granted 15,000 stock options to an independent contractor for services rendered. The options are exercisable until November 15, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $2,319.

On November 7, 2007, the Company granted 250,000 stock options as part of a consulting agreement for services rendered. The options are exercisable until November 7, 2010 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model is $45,588 and is being amortized over the five month life of the agreement.

On November 1, 2007, the Company authorized the extension of expired warrants to purchase 125,000 shares of its common stock to two previous investors of the Company. The warrants originally carried a twelve month term with an exercise price of $0.25 per share. The warrants were extended an additional twelve months and all other terms remained the same. The estimated value expensed in accordance with the extension using the Black-Scholes Pricing Model was $12,552.

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On October 1, 2007, the Company authorized the extension of expired warrants to purchase 341,666 shares of its common stock to three previous investors of the Company. The warrants originally carried a twelve month term with an exercise price of $0.25 per share. The warrants were extended an additional twelve months and all other terms remained the same. The estimated value expensed in accordance with the extension using the Black-Scholes Pricing Model was $46,458.

On September 24, 2007, the Company granted 50,000 cashless stock options to a consultant for services rendered. The options are exercisable until September 23, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $8,245.

On September 24, 2007, the Company granted 50,000 cashless stock options to an employee as a bonus for services rendered. The options are exercisable until September 23, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $8,245.

On September 24, 2007, the Company granted 30,000 cashless stock options to an employee as a bonus for services rendered. The options are exercisable until September 23, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $4,947.

On September 24, 2007, the Company granted 50,000 cashless stock options to a director for services rendered. The options are exercisable until September 23, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $8,245.

On September 24, 2007, the Company granted 200,000 stock options as part of a consulting agreement for services rendered. The options are exercisable until September 23, 2008 at an exercise price of $0.20 per share. The estimated value using the Black-Scholes Pricing Model is $24,640 and is being amortized over the four month life of the agreement.

On July 24, 2007, the Company granted 250,000 stock options as part of a consulting agreement for services rendered. The options are exercisable until July 24, 2010 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $37,829 and is being amortized over the remaining eight and a half month life of the contract.

On July 23, 2007, the Company granted 25,000 stock options to a consultant for commissions rendered. The options are exercisable until July 23, 2010 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $4,957.

On July 23, 2007, the Company granted 50,000 stock options to an employee as a bonus for services rendered. The options are exercisable until July 23, 2010 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $9,913.

On July 23, 2007, the Company granted 50,000 stock options to an employee as a bonus for services rendered. The options are exercisable until July 23, 2010 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $9,913.

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On July 23, 2007, the Company granted 10,000 stock options to a consultant for services rendered. The options are exercisable until July 23, 2009 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $1,790.

On May 22, 2007 the Company granted 100,000 warrants to an investor as part of a subscription agreement in which the investor purchased 100,000 shares of common stock for $15,000. The warrants are exercisable for twenty four months from the date of issuance at a strike price of $0.25 per share.

On May 17, 2007 the Company granted 70,000 warrants to an investor as part of a subscription agreement in which the investor purchased 70,000 shares of common stock for $10,500. The warrants are exercisable for twenty four months from the date of issuance at a strike price of $0.15 per share.

On May 1, 2007 the Company granted 93,333 warrants to an investor as part of a subscription agreement in which the investor purchased 93,333 shares of common stock for $14,000. The warrants are exercisable for twenty four months from the date of issuance at a strike price of $0.25 per share.

On April 21, 2007 the Company granted 50,000 warrants to an investor as part of a subscription agreement in which the investor purchased 50,000 shares of common stock for $7,500. The warrants are exercisable for twenty four months from the date of issuance at a strike price of $0.25 per share.

On April 16, 2007, the Company granted 50,000 stock options to a Director for services rendered. The options are exercisable until April 16, 2010 at an exercise price of $0.28 per share. The estimated value using the Black-Scholes Pricing Model was $9,148.

On April 16, 2007, the Company granted 300,000 stock options to a consultant for services rendered. The options are exercisable until May 16, 2008 at an exercise price of $0.28 per share. The estimated value using the Black-Scholes Pricing Model was $41,504.

On April 16, 2007 the Company granted 250,000 stock options to a consultant for services performed under a new communications contract. The options were earned and vested on June 30, 2007 and are exercisable until June 30, 2010 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $56,485 and is being amortized over the remaining 9 and a half month life of the contract.

On April 16, 2007 the Company granted 50,000 stock options to a consultant as a finder’s fee for the communications contract. The options were earned and vested on June 30, 2007 and are exercisable until June 30, 2009 at an exercise price of $0.30 per share. The estimated value using the Black-Scholes Pricing Model was $9,821 and is being amortized over the remaining nine and a half month life of the contract.

On April 11, 2007 the Company granted 34,000 warrants to an investor as part of a subscription agreement in which the investor purchased 34,000 shares of common stock for $5,100. The warrants are exercisable for twenty four months from the date of issuance at a strike price of $0.25 per share.

On April 3, 2007, the Company granted 250,000 stock options to an attorney for professional services rendered. The options are exercisable until April 3, 2009 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $24,119.

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On April 3, 2007, the Company granted 60,000 stock options to a consultant for services rendered. The options are exercisable until April 3, 2010 at an exercise price of $0.25 per share. The estimated value using the Black-Scholes Pricing Model was $6,491.

On April 3, 2007, the Company granted 650,000 stock options to a consultant for services rendered. The options are exercisable until April 3, 2010 at an exercise price of $0.50 per share. The estimated value using the Black-Scholes Pricing Model was $67,521.

On April 2, 2007 the Company granted 100,000 warrants to an investor as part of a subscription agreement in which the investor purchased 100,000 shares of common stock for $15,000. The warrants are exercisable for twenty four months from the date of issuance at a strike price of $0.25 per share.

In February, 2007, the Company authorized the re-pricing of options to purchase 500,000 shares of its common stock to officers and directors of the Company that were originally issued in February of 2006 in exchange for services at an exercise price of $0.50 per share. The estimated value using the Black-Scholes pricing Model was originally $226,121. The options were re-priced with an exercise price of $0.25 per share, and all other terms remained the same. The estimated value expensed in accordance with the re-pricing using the Black-Scholes Pricing Model was $61,642.

Options and Warrants Cancelled

No options or warrants were cancelled during the year ended December 31, 2008. During the year ended December 31, 2007, the Company cancelled 200,000 options that were outstanding at December 31, 2006. The cancellation of the options had no impact on the current period operations.

Options and Warrants Expired

During the year ended December 31, 2008, 2,123,500 options and 1,116,666 warrants that were outstanding as of December 31, 2007 expired. The expiration of the options and warrants had no impact on the current period operations.

During the year ended December 31, 2007, 1,183,336 warrants and options that were outstanding as of December 31, 2006 expired. The expiration of the options had no impact on the current period operations.

Options Exercised
No options were exercised during the years ended December 31, 2008 and 2007.

The following is a summary of information about the Stock Options outstanding at December 31, 2008.

	Shares Underlying Options Outstanding			Shares Underlying Options Exercisable	
Range of Exercise Prices	Shares Underlying Options Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Shares Underlying Options Exercisable	Weighted Average Exercise Price

$	0.15 - 0.78	6,661,333	1.58 years	$	0.28	6,661,333	$	0.28

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The fair value of each option and warrant grant are estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions used for grants under the fixed option plan:

	2008	2007
Average risk-free interest rates	2.05%	4.20%
Average expected life (in years)	1.58	2.44
Volatility	180%	203%

The Black-Scholes option valuation model was developed for use in estimating the fair value of short-term traded options that have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options. During 2008 and 2007, there were no options granted with an exercise price below the fair value of the underlying stock at the grant date.

The weighted average fair value of options granted with exercise prices at the current fair value of the underlying stock during 2008 was approximately $0.20 per option, and during 2007 was approximately $0.29 per option.

The following is a summary of activity of outstanding stock options:

	Number of Shares	Weighted Average Exercise Price
Expired in 2008	(3,240,166)	(0.28)
Cancelled in 2008	-0-	-0-
Options granted	1,125,000	0.20
Options exercised	-0-	-0-
Balance, December 31, 2008	6,661,333	0.28
Exercisable, December 31, 2008	6,661,333	$ 0.28

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Notes to Financial Statements

Note 10 – Operating Lease

The Company leases its operating and office facilities under a long-term, non-cancelable operating lease agreement. The lease expires on July 31, 2010 and provides for month to month renewal options. In the normal course of business, it is expected that these lease will be renewed or replaced by a lease on another property. The monthly base rental amount under the agreement is $5,241.80 and a monthly common area maintenance charge of $1,008. Lease expense totaled $76,046 and $69,769 during 2008 and 2007, respectively. The Company is currently in negotiations with the leaseholder over damages to PNTV's sound proofing equipment as a result of a water leak in the roof. As a result PNTV is behind in their monthly rental payments and $6,584.38 remains unpaid and is included in the accounts payable balance at December 31, 2008.

The following is a schedule by year of future minimum rental payments required under the operating lease agreement:

Year Ending December 31,	Amount
2009	$ 74,998
2010	43,748
	$118,746

Note 11 – Commitments

On October 10, 2005 the Company entered into a ten-year distribution agreement with Comcast Programming Development, Inc ("Comcast"), an affiliated entity of Comcast Corporation. Pursuant to the terms of the agreement, Comcast will carry PNTV's Gaming Channel on its Digital VOD Cable Platform, which will provide programming directly related to the gaming industry and targeting the existing approximately $70 billion market. The Company will own and operate the channel 100%. Pursuant to the agreement, the Company formed a wholly owned subsidiary, Players Network on Demand. Comcast has the option to purchase up to 40% of the common stock in the subsidiary for fair market value after an eighteen-month period.

Note 12 – Fair value of financial instruments

The Company adopted SFAS 157 on January 1, 2008. SFAS 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The standard outlines a valuation framework and creates a fair value hierarchy in order to increase the consistency and comparability of fair value measurements and the related disclosures. Under GAAP, certain assets and liabilities must be measured at fair value, and SFAS 157 details the disclosures that are required for items measured at fair value.

The Company has various financial instruments that must be measured under the new fair value standard including: cash and debt. The Company currently does not have non-financial assets or non-financial liabilities that are required to be measured at fair value on a recurring basis, with the exception of intangible assets. The Company's financial assets and liabilities are measured using inputs from the three levels of the fair value hierarchy. The three levels are as follows:

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Level 1 - Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date. The fair value of the Company's cash is based on quoted prices and therefore classified as Level 1.

Level 2 - Inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 - Unobservable inputs that reflect our assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following table provides a summary of the fair values of assets and liabilities under SFAS 157:

		Fair Value Measurements at December 31, 2008		
	Carrying Value December 31, 2008	Level 1	Level 2	Level 3
Assets:				
Cash	$ -	$ -	$ -	$ -
Liabilities:				
Checks written in excess of funds	$ 2,176	$ 2,176	$ -	$ -
Current maturities of long term debt	423,303	-		423,303
Long term debt	25,000	-		25,000
Total	$ 450,479	$ 2,176	$ -	$ 448,303

The Company believes that the market rate of interest as at December 31, 2008 was not materially different to the rate of interest at which the debts were issued. Accordingly, the Company believes that the fair value of the debt approximated their carrying value at December 31, 2008

Note 13 – Subsequent events

Stock issuances

On April 1, 2009 the Company issued 150,000 shares of common stock to a consultant for sales & marketing services rendered. The total fair value of the common stock was $13,500.

On April 1, 2009 the Company issued 50,000 shares of common stock to a consultant for administrative services provided. The total fair value of the common stock was $4,500.

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On April 1, 2008 the Company issued 657,859 shares of restricted section 144, common stock to a note holder per the conversion terms of the convertible promissory note. The shares were exchanged for a total of $49,629 of accrued interest.

On March 12, 2009 the Company issued 250,000 shares of common stock, along with warrants to purchase another 250,000 shares at $0.15 per share and 50,000 shares at $1.00 per share, exercisable for 36 months, in exchange for cash proceeds of $25,000.

On February 16, 2009 the Company issued 250,000 shares of common stock, along with warrants to purchase another 250,000 shares at $0.15 per share, exercisable for 36 months, in exchange for cash proceeds of $25,000.

On January 9, 2009 the Company issued 12,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $1,560.

On January 9, 2009 the Company issued 2,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $260.

On January 9, 2009 the Company issued 120,000 shares of common stock to a debt holder for payment in lieu of cash on a $5,000 interest free demand note. The total fair value of the common stock was $15,600. A finance charge was expensed to account for the $10,600 premium payment in excess of the principal debt.

On January 9, 2009 the Company issued 50,000 shares of free trading common stock to a consultant for accounting services provided. The total fair value of the common stock was $6,500.

On January 9, 2009 the Company issued 26,500 shares of free trading common stock to a consultant for sales & marketing services rendered. The total fair value of the common stock was $3,445.

On January 9, 2009 the Company issued 5,000 shares of free trading common stock to a consultant for website production services rendered. The total fair value of the common stock was $650.

On January 9, 2009 the Company issued 50,000 shares of common stock as prepaid compensation for service on the board of directors in 2009 to each of five of its directors totaling 250,000 shares. The fair value of the common stock in total was $32,500 and will be amortized over the 2009 calendar year service period.

On January 9, 2009 the Company issued 500,000 shares of common stock to a video production company for video encoding and production services. The total fair value of the common stock was $65,000.

On January 9, 2009 the Company issued 10,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $1,300.

On January 9, 2009 the Company issued 10,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $1,300.

On January 9, 2009 the Company issued 10,000 shares of common stock to an employee as a bonus for services rendered. The total fair value of the common stock was $1,300.

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Notes to Financial Statements

On January 9, 2009 the Company issued 5,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $650.

On January 9, 2009 the Company issued 5,000 shares of common stock to a consultant for commissions earned on sound stage rentals. The total fair value of the common stock was $650.

On January 9, 2009 the Company issued 5,000 shares of common stock to a consultant for website production services rendered. The total fair value of the common stock was $650.

On January 9, 2009 the Company issued 50,000 shares of common stock to a consultant for accounting services provided. The total fair value of the common stock was $6,500.

On January 9, 2009 the Company issued 125,000 shares of common stock to a consultant for administrative services provided. The total fair value of the common stock was $16,250.

On January 9, 2009 the Company issued 100,000 shares of common stock to a consultant for equity promotion & marketing services rendered. The total fair value of the common stock was $13,000.

On January 9, 2009 the Company issued 100,000 shares of common stock to a consultant for equity promotion & marketing services rendered. The total fair value of the common stock was $13,000.

On January 9, 2009 the Company issued 30,000 shares of common stock to a consultant for video production services rendered. The total fair value of the common stock was $3,900.

Stock options
On January 9, 2009 the Company granted 50,000 cashless stock options as prepaid compensation for service on the board of directors in 2009 to each of five of its directors. The options are exercisable until January 8, 2013 at an exercise price of $0.20 per share. The total estimated value using the Black-Scholes Pricing Model was $32,372 and will be amortized over the 2009 calendar year service period.

On January 9, 2009 the Company granted cashless options to purchase 250,000 shares of its common stock to the CEO as a bonus for services rendered. The options are exercisable until January 8, 2013 at an exercise price of $0.20 per share. The estimated value expensed using the Black-Scholes Pricing Model was $32,372.

On January 9, 2009 the Company granted cashless options to purchase 250,000 shares of its common stock to the President of Programming as a bonus for services rendered. The options are exercisable until January 8, 2013 at an exercise price of $0.20 per share. The estimated value expensed using the Black-Scholes Pricing Model was $32,372.

On January 9, 2009 the Company granted cashless options to purchase 300,000 shares of its common stock to the CEO as a bonus for services rendered. The options are exercisable until January 8, 2012 at an exercise price of $0.20 per share. The estimated value expensed using the Black-Scholes Pricing Model was $38,486.

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On January 9, 2009 the Company granted cashless options to purchase 400,000 shares of its common stock to the President of Programming as a bonus for services rendered. The options are exercisable until January 8, 2012 at an exercise price of $0.20 per share. The estimated value expensed using the Black-Scholes Pricing Model was $51,315.

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PLAYERS NETWORK

	By:	/s/ Mark Bradley
Date: April 20, 2009		Mark Bradley, Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below appoints Mark Bradley his attorney in fact, with full power of substitution and re-substitution, to sign any and all amendments to this Report on Form 10-K of Players Network, and to file them, with all their exhibits and other related documents, with the Securities and Exchange Commission, ratifying and confirming all that their attorney in fact and agent or his substitute or substitutes may lawfully do or cause to be done by virtue of this appointment. In accordance with the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Mark Bradley Mark Bradley	Director & Chief Executive Officer (Principal Executive Officer, Principal Financial Officer & Principal Accounting Officer)	April 20, 2009
/s/ Michael Berk Michael Berk	Director and President of Programming	April 20, 2009
/s/ Doug Miller Doug Miller	Director	April 20, 2009
/s/ Leonard J. Parisi Leonard J. Parisi	Director	April 20, 2009
John J. English	Director	April 20, 2009