EMAZING INTERACTIVE, INC.
Form 10-Q
May 14, 2009

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2009

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OF 15(d) OF THE EXCHANGE ACT OF 1934

From the transition period from ___________ to ____________.

Commission File Number 333-138111

EMAZING INTERACTIVE, INC.
(Exact name of small business issuer as specified in its charter)

Nevada	20-4672080
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

101 C North Greenville, Suite 255, Allen, Texas 75002
(Address of principal executive offices)

(972) 983-1453
(Issuer's telephone number)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 [ ].

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act:

Large Accelerated Filer [ ]	Accelerated Filer [ ]
Non-Accelerated Filer [ ]	Smaller Reporting Company [X]

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

As of October 31, 2008, there were 5,783,500 shares of Common Stock of the issuer outstanding.

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EMAZING INTERACTIVE, INC.
Consolidated Balance Sheets
As of March 31, 2009 and December 31, 2008

	March 31, 2009 (Unaudited)	December 31, 2008 (Audited)
Assets		
Current Assets		
Cash	$ 1,338	$ 8,234
Total Current Assets	1,338	8,234
Fixed assets:		
Computer Equipment	27,950	27,950
Less: Accumulated Depreciation	(22,862)	(20,533)
Total Fixed Assets	5,088	7,417
Intangible Assets:		
Gaming Software	48,488	48,488
Less: Accumulated Amortization	(43,488)	(39,447)
Total Intangible Assets	5,000	9,041
Total Assets	$ 11,426	$ 24,692
Liabilities and Shareholders' Equity/(Deficit)		
Current Liabilities		
Accounts Payable	$ 52,458	$ 51,943
Accounts Payable – Related Parties	4,550	0
Accrued Expenses	3,625	2,625
Line of Credit	40,000	35,000
Total liabilities (all current)	100,633	89,568
Shareholders' Equity/(Deficit):		
Common Stock, $.001 par value, 50,000,000 shares authorized, 5,783,500 and 5,783,500 shares issued and outstanding respectively	5,783	5,783
Additional Paid in Capital	262,817	262,817
Accumulated Deficit	(357,807)	(333,476)
Total Shareholders' Equity/(Deficit)	(89,207)	(64,876)
Total Liabilities and Shareholder' Equity/(Deficit)	$ 11,426	$ 24,692

See accompanying summary of accounting policies and notes to financial statements.

EMAZING INTERACTIVE, INC.
Consolidated Statement of Operations
For the Three Months Ended March 31, 2009 and 2008
(Unaudited)

	Three Months Ended March 31, 2009	March 31, 2008
Revenue	$ 0	$ 12,144
Operating Expenses:		
Depreciation and Amortization	6,370	6,370
General and Administrative	16,961	65,683
Total Operating Expenses	23,331	72,053
Net Operating Income	(23,331)	(59,909)
Other Income (Expense)		
Interest Income	0	20
Interest Expense	(1,000)	(167)
Total Other Income (Expense)	(1,000)	(147)
Net Loss	$ (24,331)	$ (60,056)
Basic and Diluted Earnings per Share	$ 0.00	$ (0.01)
Weighted Average Shares Outstanding:		
Basic and Diluted	5,783,500	5,679,203

See accompanying summary of accounting policies and notes to financial statements.

EMAZING INTERACTIVE, INC.
Consolidated Statement of Shareholders' Deficit
For the Three months Ended March 31, 2009 (Unaudited)
and the Year Ended December 31, 2008 (Audited)

	Common Stock Shares	Common Stock Par	Additional Paid-in Capital	Accumulated Deficit	Totals
Balances at December 31, 2007	5,659,500	$ 5,659	$ 190,941	$ (206,545)	$ (9,945)
Issuance of Common Stock for Cash	34,000	34	16,966		17,000
Issuance of Common Stock for Services	90,000	90	54,910		55,000
Net loss				(126,931)	(126,931)
Balance at December 31, 2008	5,783,500	5,783	262,817	(333,476)	(64,876)
Net loss				(24,331)	(24,331)
Balance at March 31, 2009	5,783,500	5,783	$ 262,817	$ (357,807)	$ (89,207)

See accompanying summary of accounting policies and notes to financial statements.

EMAZING INTERACTIVE, INC.
Consolidated Statements of Cash Flows
(Unaudited)

	Three months Ended March 31, 2009	Three months Ended March 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (24,331)	$ (60,056)
Adjustments to reconcile net deficit to cash used by operating activities:		
Depreciation and amortization	6,370	6,370
Common stock issued for services	0	30,000
Change in assets and liabilities:		
Increase (Decrease) in accounts payable	515	(3,341)
Increase in accounts payable – related parties	4,550	2,000
Increase(Decrease) in accrued expenses	1,000	(2,726)
CASH FLOWS FROM (USED) IN OPERATING ACTIVITIES	(11,896)	(27,753)
CASH FLOWS USED IN INVESTING ACTIVITIES	0	0
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of common stock	0	12,000
Proceeds from line of credit	5,000	20,000
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES	5,000	32,000
NET INCREASE IN CASH	(6,896)	4,247
Cash, beginning of period	8,234	17,513
Cash, end of period	$ 1,338	$ 21,760
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for Interest expense	$ 0	$ 0
Common stock issued for services	$ 0	$ 30,000

See accompanying summary of accounting policies and notes to financial statements.

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EMAZING INTERACTIVE, INC.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2009

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities, History and Organization:

Emazing Interactive, Inc. (The “Company”) operates as an online gaming facilitator through its subsidiary Emazing Gaming, LLC. The Company is located in Allen, Texas and was incorporated on April 11, 2006 under the laws of the State of Texas. On October 2, 2006, the Company converted its corporate charter to domicile in Nevada.

Unaudited Interim Financial Statements:

The accompanying unaudited interim financial statements have been prepared in accordance with accounting principles generally accepted in the United States and applicable Securities and Exchange Commission (“SEC”) regulations for interim financial information. These financial statements are unaudited and, in the opinion of management, include all adjustments (consisting of normal recurring accruals) necessary to present fairly the balance sheets, statements of operations and statements of cash flows for the periods presented in accordance with accounting principles generally accepted in the United States. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to SEC rules and regulations. It is presumed that users of this interim financial information have read or have access to the audited financial statements and footnote disclosure for the preceding fiscal year contained in the Company’s Annual Report on Form 10-K. Operating results for the interim periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2009.

Significant Accounting Policies:

The Company’s management selects accounting principles generally accepted in the United States of America and adopts methods for their application. The application of accounting principles requires the estimating, matching and timing of revenue and expense. It is also necessary for management to determine, measure and allocate resources and obligations within the financial process according to those principles. The accounting policies used conform to generally accepted accounting principles which have been consistently applied in the preparation of these financial statements.

The financial statements and notes are representations of the Company’s management which is responsible for their integrity and objectivity. Management further acknowledges that it is solely responsible for adopting sound accounting practices, establishing and maintaining a system of internal accounting control and preventing and detecting fraud. The Company's system of internal accounting control is designed to assure, among other items, that 1) recorded transactions are valid; 2) valid transactions are recorded; and 3) transactions are recorded in the proper period in a timely manner to produce financial statements which present fairly the financial condition, results of operations and cash flows of the Company for the respective periods being presented.

Management believes that all adjustments necessary for a fair statement of the results of the three months ended March 31, 2009 and 2008 have been made.

Basis of Presentation:

The Company prepares its financial statements on the accrual basis of accounting. All intercompany balances and transactions are eliminated. Investments in subsidiaries are reported using the equity method. The financial statements include the accounts of Emazing Gaming, LLC, an operating subsidiary.

Reclassification:

Certain prior year amounts have been reclassified in the consolidated balance sheets, consolidated statements of operations and consolidated statements of cash flows to conform to current period presentation. These reclassifications were not material to the consolidated financial statements and had no effect on net earnings reported for any period.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Recently Issued Accounting Pronouncements:

The Company does not expect the adoption of recently issued accounting pronouncements to have a significant impact on the Company's results of operations, financial position or cash flow.

Cash and Cash Equivalents:

Cash and cash equivalents includes cash in banks with original maturities of three months or less and are stated at cost which approximates market value, which in the opinion of management, are subject to an insignificant risk of loss in value.

Revenue Recognition:

The Company recognizes revenue from the sale of products in accordance with the Securities and Exchange Commission Staff Accounting Bulletin No. 104 ("SAB 104"), "Revenue Recognition in Financial Statements". Revenue will be recognized only when all of the following criteria have been met:

- Persuasive evidence of an arrangement exists;
- Ownership and all risks of loss have been transferred to buyer, which is generally at point of sale;
- The price is fixed and determinable; and
- Collectability is reasonably assured.

Revenue from game rental is all paid at the point of purchase online through PayPal.

Web-Site Development Costs:

The Company adopted EITF 00-02, "Accounting for Website Developments Costs". In accordance with EITF 00-02, the costs incurred for the (i) website application and infrastructure development; (ii) graphics development; and (iii) content development, which took the website to a functional stage where it could receive server and gaming orders, were capitalized and are being amortized over three years. Maintenance expenses or costs that do not result in new revenue producing features or functions, such as updating information and products or maintenance of the website or promotion of the website using search engines, are expensed as incurred. Prior to this development, Emazing had no website. As of March 31, 2009 and 2008, $0 has been expensed and $48,488 capitalized. For the three month periods ended March 31, 2009 and March 31, 2008 amortization expense was $4,041 and $4,041 respectively.

Income Taxes:

The Company has adopted SFAS No. 109, which requires the use of the liability method in the computation of income tax expense and the current and deferred income taxes payable.

Property and Equipment:

Property and equipment are stated at cost less accumulated depreciation. Major renewals and improvements are capitalized; minor replacements, maintenance and repairs are charged to current operations. Depreciation is computed by applying the straight-line method over the estimated useful lives which are generally five to seven years.

Earnings per Share:

Earnings per share (basic) is calculated by dividing the net income (loss) by the weighted average number of common shares outstanding for the period covered. As the Company has no potentially dilutive securities, fully diluted earnings per share is identical to earnings per share (basic).

Fair Value of Financial Instruments:

In accordance with the reporting requirements of Statement of Financial Accounting Standards ("SFAS") No. 157, "Disclosures About Fair Value of Financial Instruments" (SFAS No. 157), the Company calculates the fair value of its assets and liabilities which qualify as financial instruments under this statement and includes this additional information in the notes to the financial statements when the fair value is different than the carrying value of those financial instruments. At March 31, 2009, the Company did not have any financial instruments other than cash and cash equivalents.

Comprehensive Income:

SFAS No. 130 "Reporting Comprehensive Income", establishes standards for reporting and display of comprehensive income and its components in a full set of general purpose financial statements. For the quarters ended March 31, 2009 and 2008, the Company had no items of other comprehensive income. Therefore, the net loss equals the comprehensive loss for the periods then ended.

NOTE 2 – FIXED ASSETS

Fixed assets at March 31, 2009 and December 31, 2008 are as follows:

	March 31, 2009	December 31, 2008
Computer Equipment	$ 27,950	$ 27,950
Less: Accumulated Depreciation	(22,862)	(20,533)
Total Fixed Assets	$ 5,088	$ 7,417

Depreciation expense for the three month periods ended March 31, 2009 and 2008 was $2,329 and $2,329 respectively.

NOTE 3 – INTANGIBLE ASSETS

Intangible assets at March 31, 2009 and December 31, 2008 are as follows:

	March 31, 2009	Dec 31, 2008
Gaming Software	$ 48,488	$ 48,488
Less: Accumulated Amortization	(43,488)	(39,447)
Total Intangible Assets	$ 5,000	$ 9,041

Amortization expense for the three month period ended March 31, 2009 and 2008 was $4,041 and $4,041 respectively.

NOTE 4 – COMMON STOCK

The Company is authorized to issue 50,000,000 common shares at a par value of $0.001 per share. These shares have full voting rights. At March 31, 2009, there were 5,783,500 shares outstanding.

NOTE 5 – INCOME TAXES

The Company has adopted SFAS No. 109, which requires the use of the liability method in the computation of income tax expense and the current and deferred income taxes payable (deferred tax liability) or benefit (deferred tax asset). Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized be recorded directly to retained earnings and reported as a change in accounting principle.

The cumulative tax effect at the expected tax rate of 25% of significant items comprising the Company's net deferred tax amounts as of March 31, 2009 and December 31, 2008 are as follows:

	2009	2008
Net operating loss carryforward	$ 89,452	$ 83,369
Less: valuation allowance	(89,452)	(83,369)
Net deferred tax asset	$ 0	$ 0

The net deferred tax asset generated by the loss carryforward has been fully reserved. The cumulative net operating loss carryforward is approximately $357,800 at March 31, 2009, and will expire in the years 2025 through 2029.

The realization of deferred tax benefits is contingent upon future earnings and is fully reserved at March 31, 2009.

NOTE 6 – LINE OF CREDIT

The Company entered into a line of credit (“LOC”) in November 2007. The LOC had a credit line of $20,000 and accrued interest at a rate of 10% per annum, compounded monthly. In March 2008 the credit line was increased to $40,000. It is secured by 100% of the stock of Emazing Interactive, Inc. that is beneficially owned by the President and his father.

As of March 31, 2009, the balance owed pursuant to the LOC was $40,000. Interest accrued but not paid during the three month periods ended March 31, 2009 and 2008 was $1,000 and $167, respectively.

NOTE 7 – FINANCIAL CONDITION AND GOING CONCERN

Emazing Interactive, Inc. has an accumulated deficit through March 31, 2009 totaling $357,807 and had negative working capital of $99,295. Because of this accumulated loss, Emazing Interactive, Inc. will require additional working capital to develop its business operations. Emazing Interactive, Inc. intends to raise additional working capital either through private placements, public offerings, bank financing and/or shareholder funding. There are no assurances that Emazing Interactive, Inc. will be able to either (1) achieve a level of revenues adequate to generate sufficient cash flow from operations; or (2) obtain additional financing through either private placement, public offerings, bank financing and/or shareholder funding necessary to support Emazing Interactive, Inc.'s working capital requirements. To the extent that funds generated from any private placements, public offerings, bank financing and/or shareholder funding are insufficient, Emazing Interactive, Inc. will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on terms acceptable to Emazing Interactive, Inc.. If adequate working capital is not available Emazing Interactive, Inc. may not be able to continue its operations.

Management believes that the efforts it has made to promote its business will continue for the foreseeable future. These conditions raise substantial doubt about Emazing Interactive, Inc.'s ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might be necessary should Emazing Interactive, Inc. be unable to continue as a going concern.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

This report contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. The Company's actual results could differ materially from those set forth on the forward looking statements as a result of the risks set forth in the Company's filings with the Securities and Exchange Commission, general economic conditions, and changes in the assumptions used in making such forward looking statements.

General

We were incorporated on April 21, 2006 in the State of Texas and re-domiciled to become a Nevada corporation in October 2006. In this report, we refer to Emazing Interactive, Inc. as "we," "us", "eMg" or "Emazing" unless we specifically state otherwise or the context indicates otherwise. We are a gaming organization that is working with prominent marketing services connected to the gaming scene. We specialize in providing marketing awareness of products and services of our customers to millions of on-line gaming players and enthusiasts.

To date, our business development activities have primarily been concentrated in web server access and company branding in hosting web based e-games. This activity is structured whereby our partners and sponsors are provided premium web site exposure identifying their company, name, and product offerings.

We also generate revenues through our partnerships, sponsors and web server access. Sponsoring Emazing will bring a product and/or brand name into the spotlight of gamers worldwide. Our customer's brand will be synonymous with the youthful intelligent image that pro-gaming has. Our customers have prime advertising space on our website, IRC channel every hour 24/7 and clothes, which we will wear at competitive events all year round. Although our web site creates product awareness for our sponsors and partners, our revenue is generated by fees which our partners and sponsors remit to us for that exposure. In the e-gaming industry, partners and sponsors will pay top dollar for a popular gaming web site as they can maximize their product and name exposure.

Business Operations

We are a gaming organization that is working with prominent marketing services connected to the gaming scene. Currently, the entire team consists of contract workers including management, sales, technical development, press and our primary team / players department. We comprise of people who have specific gaming experience, a pre-requisite for employment with our company is experience in the gaming world. Combined, our organization holds well over 50 years of experience in management alone.

Management consists of our President and CEO. As CEO, he is responsible for coordinating and leading the entire organization to achieve optimal results and goals. This includes directing contract consultants and measuring results. He also manages the budget to satisfy needs for traveling and accommodations to PR events and tournaments. Additionally, our CEO is responsible for strategic thinking and placement within the E-Gaming industry, constantly looking for new opportunities. As such, he is instrumental in building and maintaining sponsor and partner relationships.

All games currently provided by EMazing are third party developed.

RESULTS FOR THE QUARTER ENDED March 31, 2009

Our quarter ended on March 31, 2009. Any reference to the end of the fiscal quarter refers to the end of the first calendar quarter for 2009 for the three month period discussed herein.

SUMMARY
The current economic climate has had a significant impact on our business as companies and events that we serviced basically shut down in the first quarter. Due to these circumstances we had no revenue in the quarter but have begun to see the market pick up in Q2 2009 as we begin to generate modest revenue. In light of these circumstances we curtailed expenses as much as possible, reduced contract employees' time, and incurred only truly necessary costs to keep the operations going.

REVENUE. Revenue for the three months ended March 31, 2009, was $0 compared to $12,144 for the three months ended March 31, 2008. The decrease in revenue is attributed to the impact of the current economic climate as referenced above.

OPERATING EXPENSES. Total operating expenses for the three months ended March 31, 2009, were $16,961 compared to expenses for the period ended March 31, 2008 of $65,683. The decrease is due to curtailing expenses, $41,300 in reduced contract services, and $5,500 in reduced server expenses. The above expenses do not include depreciation and amortization expense which was $6,370 for both three month periods ended March 31, 2009 and 2008.

NET INCOME (LOSS). Net loss for the three months ended March 31, 2009 was $24,331 compared to the period ended March 31, 2008 of $60,056. The aforementioned decrease in expenses is the reason for the reduced loss.

Employees: At March 31, 2009, the Company had one employee.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET PRICE
Not Applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of March 31, 2009. This evaluation was accomplished under the supervision and with the participation of our chief executive officer / principal executive officer, and chief financial officer / principal financial officer who concluded that our disclosure controls and procedures are not effective to ensure that all material information required to be filed in the quarterly Form 10-Q has been made known to them.

For purposes of this section, the term disclosure controls and procedures means controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Act (15 U.S.C. 78a et seg.) is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. Disclosure, controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by in our reports filed under the Securities Exchange Act of 1934, as amended (the "Act") is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Based upon an evaluation conducted for the period ended March 31, 2009, our Chief Executive and Chief Financial Officer as of March 31, 2009 and as of the date of this Report, has concluded that as of the end of the periods covered by this report, we have identified the following material weakness of our internal controls:

- Reliance upon independent financial reporting consultants for review of critical accounting areas and disclosures and material non-standard transaction.

- Lack of sufficient accounting staff which results in a lack of segregation of duties necessary for a good system of internal control.

In order to remedy our existing internal control deficiencies, as our finances allow, we will hire additional accounting staff.

Changes in Internal Controls over Financial Reporting

We have not yet made any changes in our internal controls over financial reporting that occurred during the period covered by this report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

Items No. 1, 2, 3, 4, 5 - Not Applicable.

Item No. 6 - Exhibits and Reports on Form 8-K

(a) None

(b) Exhibits

Exhibit Number	Name of Exhibit
31.1	Certification of Chief Executive Officer, pursuant to Rule 13a-14(a) of the Exchange Act, as enacted by Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer, pursuant to Rule 13a-14(a) of the Exchange Act, as enacted by Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer, pursuant to 18 United States Code Section 1350, as enacted by Section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Emazing interactive, inc.

By /s/ Edward Hancock

Edward Hancock, President, CFO

Date: May 12, 2009