

EMAZING INTERACTIVE, INC.
Form 10-Q
May 19, 2008

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2008

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 accredited filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accredited filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act:

Large Accredited Filer

[]

Accelerated Filer

[]

Non-Accredited 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 [X] No [].

As of March 31, 2008, there were 5,743,500 shares of Common Stock of the issuer outstanding.

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EMAZING INTERACTIVE, INC.

BALANCE SHEET

MARCH 31, 2008 and DECEMBER 31, 2007

(Unaudited)

ASSETS	March 31, 2008	December 31, 2007
Current assets		
Cash	\$ 21,760	\$
		17,513
Total current assets	21,760	17,513
Fixed assets		
Computer equipment	27,950	27,950
Less: Accumulated depreciation	(13,546)	(11,216)
Total fixed assets	14,404	16,734
Intangible assets		
Gaming software	48,488	48,488
Less: Accumulated depreciation	(27,325)	(23,285)
Total intangible assets	21,163	25,203
TOTAL ASSETS	\$ 57,327	\$ 59,450

LIABILITIES AND STOCKHOLDERS EQUITY

Current liabilities		
Accounts payable	\$ 38,876	\$ 42,217
Accounts payable - Related parties	23,500	21,500
Line of credit	20,000	0
Due to related parties	2,953	5,678
Total liabilities (All current)	85,329	69,395

Stockholders deficit:

Common stock, \$.001 par value, 50,000,000 shares authorized, 5,743,500 and 5,659,500 shares issued and outstanding

	5,744	5,659
Additional paid-in capital	232,856	190,941
Accumulated deficit	(266,601)	(206,545)
Total Stockholders Equity/(Deficit)	(28,002)	(9,945)
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 57,327	\$ 59,450

See Accompanying Notes to Financial Statements

EMAZING INTERACTIVE, INC.**STATEMENT OF OPERATIONS****Three Month Periods Ended March 31, 2008 March 31, 2007****(Unaudited)**

	Three Months Ended March 31, 2008	Three Months Ended March 31, 2007
Revenue	\$ 12,144	\$ 1,437
Operating expenses:		
Depreciation & amortization	6,370	4,506
General and administrative:		
Accounting and professional	56,481	3,660
Computer expenses	1,329	290
Licenses and fees	315	0
Marketing	53	0
Server hosting	6,168	2,601
Office and other expenses	1,113	1,134
Telephone	201	0
Travel expense	23	2,046
Total operating expenses	72,053	14,237
(Loss) from operations	(59,909)	(12,800)
Other(expense):		
Interest income	20	363
Interest (expense)	167	0

Net(loss)	\$ (60,056)	\$ (12,437)
Net loss per share:		
Basic and diluted	\$ (0.01)	\$ (0.00)
Weighted average shares outstanding:		
Basic and diluted	5,679,203	5,464,551

See Accompanying Notes to Financial Statements

EMAZING INTERACTIVE, INC.
Statement of Changes in Stockholders' Deficit
For the Three Month Period Ended March 31, 2008 and the Year Ended December 31, 2007
(Unaudited)

	Common Stock		Paid-In		Accumulated	
	Shares	Amount	Capital		Deficit	Totals
Balance at December 31, 2006	5,350,000	\$ 5,350	\$ 36,500		\$ (81,389)	\$ (39,539)
Issuance of Common Stock for Cash	303,500	304	151,446			151,750
Conversion of debt for stock	6,000	6	2,994			3,000
Net (Loss)					(125,156)	(125,156)
Balance at December 31, 2007	5,659,500	\$ 5,660	\$ 190,940		\$ (206,545)	\$ (9,945)
Issuance of Common Stock						
for Services	60,000	60	29,940			30,000
Issuance of Common Stock for Cash	24,000	24	11,976			12,000
Net (Loss)					(60,056)	(60,056)
Balance at March 31, 2008	5,743,500	\$ 5,744	\$ 232,856		\$ (266,601)	\$ (28,001)

See Accompanying Notes to Financial Statements

EMAZING INTERACTIVE, INC.
Statement of Cash Flows
For the three month periods ended March 31, 2008 and 2007
(Unaudited)

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income (Loss)	\$ (60,056)	\$ (12,437)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	6,370	4,506
Common stock issued for services	30,000	0
Change in assets and liabilities:		
(Increase) in Accounts receivable-related party	0	(2,675)
(Increase) in Other assets	0	(3,077)
(Decrease) in Accounts payable - related party	2,000	0
Increase (Decrease) in Accounts payable	(3,341)	2,000
(Decrease) in Due to Related Party	(2,726)	0
Net Cash (Used) by Operating Activities	(27,753)	(11,683)
CASH FLOWS FROM INVESTING ACTIVITIES		
Software upgrade	0	(10,000)
Computer equipment	0	0
Net Cash Used for Investing Activities	0	(10,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Sale of common stock for cash	12,000	102,650
Proceeds from Line of Credit	20,000	
	32,000	102,650

Net Cash Provided by
Financing Activities

NET INCREASE IN CASH AND CASH EQUIVALENTS		4,247		80,967
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		17,513		71
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$	21,760	\$	81,038
SUPPLEMENTAL DISCLOSURES				
Cash Paid During the Year for Interest Expense	\$	0	\$	0
Stock Issued for Fixed Assets & Inventory	\$	0	\$	0

See Accompany Notes to Financial Statements

EMAZING INTERACTIVE, INC.

NOTES TO FINANCIAL STATEMENTS

March 31, 2008

NOTE 1 NATURE OF BUSINESS AND SUMMARY OF 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. Online games are rented by the hour, day or month. The Company also generates revenue through partnerships and sponsors.

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.

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.

Basis of Presentation:

The Company prepares its financial statements on the accrual basis of accounting. All intercompany balance and transactions are eliminated. Investments in subsidiaries are reported using the equity method.

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.

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. See Note 10 for a discussion of new accounting pronouncements.

Cash and Cash Equivalents:

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

Fixed Assets:

Fixed assets are depreciated over their useful lives of three years. Repairs and maintenance is charged to expense as incurred.

Revenue

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 upon shipment;

.

The price is fixed and determinable; and

.

Collectibility is reasonably assured.

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

Earnings (Loss) per Share:

Earnings (loss) 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 (loss) per share is identical to earnings (loss) per share (basic).

Website Software 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 and March 31, 2008 and 2007, \$48,488 had been capitalized. For the three month period ended March 31, 2008 and 2007, amortization expense was \$4,040 and \$3,20, respectively.

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.

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, 2008 and 2007, the Company had no items of other comprehensive income. Therefore, the net loss equals comprehensive loss for the years then ended.

NOTE 2 FIXED ASSETS

Fixed assets at March 31, 2008 and December 31, 2007 are as follows:

	March 31, 2008	December 31 2007
Computer Equipment	\$ 27,950	\$ 27,950
Less: Accumulated Depreciation	(13,546)	\$ (11,216)
Total Fixed Assets	\$ 14,404	\$ 16,734

Depreciation expense was \$2,330 for the year three months ended March 31, 2008 and \$1,663 for the period ended March 31, 2007

NOTE 3 INTANGIBLE ASSETS

Intangible assets at March 31, 2008 and December 31, 2007 are as follows:

	March 31, 2008	December 31 2007
Gaming Software	\$ 44,488	\$ 44,488
Less: Accumulated Depreciation	(27,325)	\$ (23,285)
Total Fixed Assets	\$ 21,163	\$ 25,203

Depreciation expense was \$2,330 for the year three months ended March 31, 2008 and \$1,663 for the period ended March 31, 2007

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, 2008, there were 5,743,500 shares outstanding.

NOTE 5 INCOME TAXES

The Company follows FASB Statement Number 109, Accounting for Income Taxes. Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes, and (b) net operating loss carry forwards. For Federal income tax purposes, the Company uses the cash basis of accounting, whereas the accrual basis is used for financial reporting purposes. In addition, certain assets are charged to expense when acquired under Section 179 of the Internal Revenue Code for income tax purposes. 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, 2008 and December 31, 2007 are as follows.

	3/31/08	12/31/07
Deferred tax assets attributable to:		
Prior years	\$ 67,565	\$ 20,347
Tax benefits for current year	15,014	47,218
Total deferred tax benefit	\$ (82,579)	\$ (67,565)
Valuation Allowance:	\$ (87,579)	\$ (67,565)
Net Deferred Tax Asset	\$ 0	\$ 0

Components of the current provision (benefit) for taxes on income for the current year are as follows:

Tax provision (benefit) on current year operations	\$ 15,014
Valuation Allowance	\$ (15,014)
Net provision (benefit)	\$ 0

Since the realization of any deferred tax benefits is contingent upon future earnings, no deferred tax asset has been accrued since the likelihood of future earnings has not been demonstrated.

NOTE 6 FINANCIAL CONDITION AND GOING CONCERN

Emazing has an accumulated deficit through March 31, 2008 totaling \$266,601 and had negative working capital of \$63,569. Because of this accumulated loss, Emazing will require additional working capital to develop its business operations. Emazing intends to raise additional working capital either through private placements, public offerings and/or bank financing. See liquidity and capital resource discussion per Item 2 below. There are

no assurances that Emazing 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 and/or bank financing necessary to support Emazing's working capital requirements. To the extent that funds generated from any private placements, public offerings and/or bank financing are insufficient, Emazing 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. If adequate working capital is not available Emazing may not continue its operations.

Emazing faces many factors in its ability to continue as a going concern, including but not limited to, the promotion of its gaming website, competition from larger and better capitalized companies, and its ability to create traffic to its website and virtual store. To date, much of Emazing's activities have been focused on advertising and promotion to create its identity in the community, and its continued existence is dependent upon the gaming public purchasing more time on its gaming servers.

Should the above concerns materialize, it is conceivable that Emazing would have to suspend or discontinue operations. Management believes that the efforts it has made to promote its site will continue for the foreseeable future. These conditions raise substantial doubt about Emazing'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 be unable to continue as a going concern.

NOTE 7 RELATED PARTY TRANSACTIONS

Amounts due related parties were \$2,953 at March 31, 2008 and are due to four different shareholders.

NOTE 8 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 accrues interest at a rate of 10% per annum, compounded monthly. In March 2008 this LOC 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, 2008, the balanced owed pursuant to the LOC was \$20,000 and interest accrued but not paid during the period three month period ended March 31, 2008 was \$167.

NOTE 9 NEW ACCOUNTING PRONOUNCEMENTS

In March 2008, the FASB issued FASB Statement No. 161, Disclosures about Derivative Instruments and Hedging Activities. The new standard is intended to improve financial reporting about derivative instruments and hedging activities by requiring enhanced disclosures to enable investors to better understand their effects on an entity's financial position, financial performance, and cash flows. It is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The new standard also improves transparency about the location and amounts of derivative instruments in an entity's financial statements; how derivative instruments and related hedged items are accounted for under Statement 133; and how derivative instruments and related hedged items affect its financial position, financial performance, and cash flows. Management is currently evaluating the effect of this pronouncement on financial statements.

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 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 generate revenues through our partnerships and sponsors. Sponsoring EMG GAMING 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. It is primarily through our fee structure for web server access that we generate revenue. 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.

We also generate revenue through EMazing Servers, a "Game Server" rental company whereby we rent game servers for players to play a computer game of their choice. We rent game servers for over 32 different games, the most

popular being Half Life's Counter Strike and variations of this game. We rent by the hour, day or month. This rental program is unique for our type of service as most companies choose to rent by the month. We feel this gives us a competitive advantage over our competition.

We have three standard packages designed for our prospective partners. Our "Gold" package is aimed to give maximum publicity to our prospective partners, forcing their product into the world of pro-Gaming and showing everybody that their company really cares about the gamers. The "Silver" package is aimed at companies with a lower budget that are looking to get their product noticed. The "Bronze" package is for companies with limited budgets but still want involvement in the eSports industry. Following is a chart outlining the benefits of our partnerships/sponsors at the Gold, Silver and Bronze levels.

GOLD PARTNER FEATURES	SILVER PARTNER FEATURES	BRONZE PARTNER FEATURES
1. High priority branding on our website, clothing, computer cases and IRC channel	1. Branding on our website and IRC	1. Branding on IRC for a limited time
2. High priority advertising on television, radio, eSports websites and magazine interviews	2. Limited advertising on television, radio, eSports and magazine special features	2. Listed as a supporter for a limited time
3. Main sponsor image, banner and description of company on our website	3. Listed as an official supporter on our website with a rotational banner and a small logo	3. Special features negotiable
4. Special features on your products: e.g. news and reviews	4. Special features on your products: e.g. news and reviews	
5. Product/brand endorsement on our website and at events	5. Product endorsement on our website and limited endorsement at events	
6. Availability for press attendances and media events. Product testing and feedback		
Price: \$5,000.00 per month	Price: \$2,500.00 per month	Price: One time payment of \$1,500.00+

During 2006, we filed and had approved form SB-1 to raise funds. A portion of the proceeds of the offering are being used to further develop E-Gaming software and lease server capacity and access through server lease agreements. These servers are a major source of revenue for us as we charge access fees to these servers.

BUSINESS OPERATIONS:

GOVERNMENT REGULATION:

At the present time, there are no Federal Government regulations on computer games over the internet or on dedicated servers.

OUR QUALIFICATIONS

Our qualifications are our reputation and experience in the industry. G. Edward Hancock, President, and our contract workers and volunteers have over 50 years combined experience in the E-Gaming industry.

INDUSTRY & COMPETITION:

The eSports industry is highly competitive. eSports is technologically based and through the medium of the internet is readily accessible to most anyone with a computer and a credit card. Barriers to entry are high due to server costs (owned and/or leased), travel expenses, and general living expenses. The more successful and enthusiastic eSport competitors are reliant on sponsors and partners to generate funds to undergird living, travel and equipment maintenance costs. Although highly competitive, it is also highly fragmented. eSports is worldwide in scope and difficult to assess from a competitive standpoint as games are often hot and therefore streaky in play before another company puts out a more desirable game program. Even so, server capacity, speed and graphics generally determine the amount of play a game will generate.

Online gaming has emerged as one of the biggest growing industries in the new millennium. The Far East has played a significant role in paving the way for recognition for online gamers. Multiplayer online games have generated over 1 billion dollars in revenue for the first time, in 2004. A large proportion of this figure has come from player subscription games such as Everquest and Star Wars Galaxies, but a significant amount has also come from the first person shooter game sales. This figure does not include the emergence of sponsored players and teams as has been seen in Asia over the last 18 months with many players earning above \$100,000 in sponsorship deals. Typical earnings of a team range between \$20k and \$40k for the larger events, though this is small compared to the events of

Asia.

These events have caused an influx from many large companies wanting to gain access to this emerging market.

Names such as Nike, Pepsi, Red Bull, Intel, Dust Off and Oakley. Gaming leagues and competitions such as WSVG, CPL, ESWC, WCG and WEG and leagues such as CAL, have become very popular. News of these events is starting to hit mainstream media outlets such as:

1.

ESPN

2.

BBC News Online

3.

CNN

4.

ABC

5.

MTV

6.

Fuse Network

7.

CBC Television in Canada

8.

Many major online news services such as Yahoo, MSN, Reuters

As more mainstream media becomes involved in promoting gaming events, this allows more companies outside the gaming community to get involved as named above.

OUR BUSINESS STRATEGY

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 is primarily consisted 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.

EMG GAMING has three major objectives to reach its goal as the best and highest-ranking Professional Counter-Strike team in the world:

1.

Maintain Equipment on the Cutting Edge - It goes without saying that when competing in the technologically advanced arena of professional gaming, you want to remain on the leading edge of the technology curve. Faster machines, graphics cards, and other equipment can mean the difference between winning and losing at this level.

2.

Ability to Travel to Tournaments - There is no use in being professional if one can't afford to travel to the various events and tournaments here at home and abroad. Travel and accommodations represent a significant portion of our costs.

3.

Ability to Train - Professional gamers train for up to 12 hours per day, every day to stay at the top of their game. This does not allow much time for work, and often professional gamers are forced to drop out because they need financial stability to survive. A monthly living allowance would not only allow us to focus on training, but it would also bring greater stability to the team members.

EMazing utilizes their website, emazinggaming.com, as the portal to which e-games are accessed on the World Wide Web. Through links on the website we are able to better manage our visitors, game selection, and visitor profiles, effectively providing us the ability to ultimately understand our customers and their playing habits from which we can then develop more challenging and exciting game content.

All games currently provided by EMazing are third party developed. Through the proceeds of this offering, we will use a portion of the proceeds to develop our own game portfolio. Game development is a capital and time intensive process, usually taking 18-24 months to take a game from concept form to fee based web play. It is our intent to be an industry leading game developer as well as content provider through our interactive website.

RESULTS FOR THE FISCAL QUARTER ENDED March 31, 2008

Our fiscal quarter ended on March 31, 2008. Any reference to the end of the fiscal quarter refers to the end of the first fiscal quarter for the period discussed herein

REVENUE. Revenue for the three months ended March 31, 2008, was \$12,144 compared to \$1,437 for the period ended March 31, 2007. The increase in revenue is attributed to two items. First: The new strategy and of leasing time on the game servers in smaller increments versus a monthly subscription; and Two: The Company sold the Counter Strike 1.6 Team in the first quarter for which impacted the results \$6,000.

EXPENSES. Total expenses for the three months ended March 31 2008, were \$65,683 compared to expenses for the period ended March 31, 2007 of \$9,731. Expenses were up versus 2007 mainly due to contract services of \$30,000 for business development, professional services (accounting /audit fees and business consulting) expenses (\$22,000), increased server commitment (\$3,500) and computer expenses (\$1,000). The above expenses did not include depreciation and amortization of \$6,370 for the three months ended March 31, 2008 and \$4,506 for the three months ended March 31, 2007.

NET INCOME (LOSS). Net loss for the three months ended March 31, 2008 was \$60,056 compared to the period ended March 31, 2007 of \$12,437. The increase in loss correlates to the increase in expenses as discussed above.

LIQUIDITY AND CAPITAL RESOURCES. Emazing filed on Form SB-1, a registration statement with the U.S. Securities & Exchange Commission in order to raise funds to develop their business. The registration statement became effective on December 21, 2006 and Emazing has raised funds under that registration statement at \$0.50 per share. In September, when we cut off our offering and started trading

on the OTCBB under the symbol EMZG, we had raised \$154,750 by selling 309,500 shares of common stock under that registration statement. In the three month period ended March 31, 2008, an additional 24,000 shares (restricted) were sold raising funds of \$12,000.

Employees

At March 31, 2008, the Company has one employee.

ITEM 3. CONTROLS AND PROCEDURES

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in company reports filed or submitted under the Securities Exchange Act of 1934 (the Exchange Act) is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in company reports filed under the Exchange Act is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer (the Certifying Officers), as appropriate to allow timely decisions regarding required disclosure.

As required by Rules 13a-15(e) and 15d-15(e) under the Exchange Act, the Certifying Officers carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of March 31, 2008. Their evaluation was carried out with the participation of other members of the Company's

management. Based upon their evaluation, the Certifying Officers concluded that the Company's disclosure controls and procedures were effective.

The Company's internal control over financial reporting is a process designed by, or under the supervision of, the Certifying Officers and effected by the Company's Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Company's financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the Company's assets; provide reasonable assurance that

transactions are recorded as necessary to permit preparation of the Company's financial statements in accordance with generally accepted accounting principles, and that the Company's receipts and expenditures are being made only in accordance with the authorization of the Company's Board of Directors and management; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements. There has been no change in the Company's internal control over financial reporting that occurred in the quarter ended March 31, 2008, that has materially affected, or is reasonably likely to affect, the Company's 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) Report on Form 8-K was filed on March 20, 2008 disclosing an amendment to our lin-of-credit from \$20,000 to \$40,000.

(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/ G. Edward Hancock

G. Edward Hancock, President, CFO

Date: May 15, 2008