

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

**FORM 10-Q**

(Mark One)

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

**For the quarterly period ended September 30, 2009**

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

COMMISSION FILE NUMBER: 333-130707

**EWORLD INTERACTIVE, INC.**

(Exact name of Registrant as specified in its charter)

**Florida**

(State or other jurisdiction of incorporation or organization)

**65-0855736**

(IRS Employer Identification No.)

**1147 Kang Ding Road, Room 208, Block D  
Shanghai, China 200042**

(Address of principal executive offices)

**(021) 6888 0708**

(Issuer's telephone number)

\_\_\_\_\_  
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ 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

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

The number of shares outstanding of each of the issuer's classes of common equity as of September 30, 2009:  
8,380,083 shares of common stock

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EWORLD INTERACTIVE, INC. AND SUBSIDIARIES  
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET  
SEPTEMBER 30, 2009  
(STATED IN U.S. DOLLARS)

|   | <u>September 30, 2009</u><br>(Unaudited) | <u>December 31, 2008</u><br>(Audited) |
|---|--|---------------------------------------|
| <b>Assets:</b>  |  |                                       |
| Current assets:   |  |                                       |
| Cash  | \$ 112                                   | \$ 3,798                              |
| Accounts receivable   | <u>-</u>                                 | <u>-</u>                              |
| Total current assets  | 112                                      | 3,798                                 |
| License fees  | -  | -                                     |
| Fixed assets  | -  | -                                     |
| Intangible assets   | <u>-</u>                                 | <u>-</u>                              |
|   | <u>\$ 112</u>                            | <u>\$ 3,798</u>                       |
| <b>Liabilities and Stockholders' Equity:</b>  |  |                                       |
| Current liabilities:  |  |                                       |
| Accounts and other payables   | \$ 93,489                                | \$ 395,545                            |
| Due to shareholders   | 21,600                                   | 15,000                                |
| Short-term borrowings   | 214,990                                  | -                                     |
| Convertible notes   | <u>-</u>                                 | <u>2,226,185</u>                      |
| Total current liabilities   | <u>330,079</u>                           | <u>2,636,730</u>                      |
| <b>Stockholders' Equity:</b>  |  |                                       |
| Preferred stock, no par value, 5,000,000 shares authorized,<br>no shares outstanding  | -  | -                                     |
| Common stock, no par value, 150,000,000 shares authorized,<br>8,380,083 and 58,305,425 shares issued and outstanding<br>at September 30, 2009 and December 31, 2008 | 3,964,130                                | 3,895,402                             |
| Unissued shares, no par value, 1,000,000 shares   | -  | 382,500                               |
| Other Comprehensive income  | (1,113)                                  | 74,220                                |
| Accumulated deficit   | <u>(4,292,984)</u>                       | <u>(6,985,054)</u>                    |
| Total Shareholder's Equity  | <u>(329,967)</u>                         | <u>(2,632,932)</u>                    |
| <b>Total Liabilities and Stockholder's Equity</b>   | <u>\$ 112</u>                            | <u>\$ 3,798</u>                       |

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

EWORLD INTERACTIVE, INC. AND SUBSIDIARIES  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF OPERATIONS  
THREE AND NINE MONTH PERIOD ENDING SEPTEMBER 30, 2009 AND 2008  
(UNAUDITED)  
(STATED IN U.S. DOLLARS)

|  | Three Month Period Ended<br>September 30, |               | Nine Month Period Ended<br>September 30, |                |
|--|---|---------------|--|----------------|
|  | 2009                                      | 2008          | 2009                                     | 2008           |
|  | \$  | \$            | \$                                       | \$             |
| Sales  | -   | 28,989        | -  | 1,731,310      |
| Cost of sales  |   | (19,908)      |  | (1,767,223)    |
| Gross profit (loss)                                  | -   | 9,081         | -  | (35,913)       |
| Bad debts  | 101,337                                   |               | 101,337                                  |                |
| Professional fees                                    | 33,190                                    | 95,400        | 96,133                                   | 549,384        |
| Salaries and benefits                                | -   | 6,489         | -  | 101,337        |
| Depreciation and amortization                        | -   | 2,174         | -  | 53,820         |
| Loan fees  | -   |               | 92,253                                   | 315,364        |
| Impairment of intangible assets and license fees     | -   | 60,782        | -  | 1,120,504      |
| Office and miscellaneous expense                     | -   | 72,533        | (75,334)                                 | 663,735        |
| Total operating expense                              | 134,527                                   | 237,378       | 214,389                                  | 3,114,899      |
| Operating loss                                       | (134,527)                                 | (228,297)     | (214,389)                                | (3,150,812)    |
| Interest expense                                     | (133,103)                                 | (129,409)     | (134,780)                                | (316,472)      |
| Gain on the sale of Subsidiary                       |   | 1,368,231     |  | 1,368,231      |
| Extraordinary Items                                  | 3,041,239                                 |               | 3,041,239                                |                |
| Net Income(loss )                                    | \$ 2,773,609                              | \$ 1,010,525  | \$ 2,692,070                             | \$ (2,099,053) |
| Net Income/(loss) per share basic                    | \$ 0.33                                   | \$ 0.02       | \$ 0.32                                  | \$ (0.04)      |
| Net Income/(loss) per share fully diluted            | \$ 0.33                                   | \$ 0.01       | \$ 0.32                                  | \$ (0.01)      |
| Weighted average number of common shares outstanding | 8,380,083                                 | 58,305,425    | 8,380,083                                | 58,305,425     |
| Weighted average shares outstanding fully diluted    | 8,380,083                                 | 150,000,000 * | 8,380,083                                | 150,000,000    |

\* Limited to authorized limit of 150,000,000, if all notes were converted, the outstanding shares would be 229,837,175

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

EWORLD INTERACTIVE, INC. AND SUBSIDIARIES  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

NINE MONTH PERIOD ENDING SEPTEMBER 30, 2009

(UNAUDITED)

(STATED IN U.S. DOLLARS)

|   | September<br>30,2009<br>Unaudited | September<br>30,2008<br>Unaudited |
|---|-----------------------------------|-----------------------------------|
| Cash flows from operating activities:                                       |                                   |                                   |
| Net revenue(loss)   | \$ 2,692,070                      | \$ (2,099,053)                    |
| Adjustments to reconcile net loss to net cash used in operating activities: |                                   |                                   |
| Gain on sale of subsidiaries  |                                   | (1,368,231)                       |
| Impairment of intangible assets and license fees                            |                                   | 1,120,504                         |
| Comprehensive Income  | (75,333)                          |                                   |
| Reduction in Unissued Capital   | (382,500)                         |                                   |
| Depreciation and amortization   | -                                 | 105,680                           |
| Conversion of Loan Notes  | (2,226,185)                       |                                   |
| Loan fees settled with Company stock  | -                                 | 315,364                           |
| Liabilities settled with Company stock                                      | -                                 | 531,700                           |
| Accretion of warrants and beneficial conversion                             | -                                 | 138,991                           |
| Changes in operating assets and liabilities:                                |                                   |                                   |
| Prepaid production costs  | -                                 |                                   |
| Prepaid assets and related parties  | -                                 | 50,323                            |
| Prepaid assets  |                                   | 53,934                            |
| Due to shareholders   | 6,600                             | (379,683)                         |
| Deferred revenue  | -                                 |                                   |
| Accounts and other payables   | (302,056)                         | (85,625)                          |
| Net Cash provided by in operating activities                                | <u>(287,404)</u>                  | <u>(1,616,096)</u>                |
| Cash flows from investing activities:                                       |                                   |                                   |
| Purchase of fixed assets  | <u>-</u>                          | <u>(6,535)</u>                    |
| Cash provided in investing activities                                       | <u>-</u>                          | <u>(6,535)</u>                    |
| Cash flows from financing activities:                                       |                                   |                                   |
| Short term borrowings   | 214,990                           | 533,931                           |
| Sale of Assets  |                                   | 400,000                           |
| Stock sold  | 68,728                            | 100,000                           |
| Convertible notes issued  | -                                 | 422,254                           |
| Cash provided by financing activities                                       | <u>283,718</u>                    | <u>1,456,185</u>                  |
| Effect on exchange rate changes   |                                   | <u>43,249</u>                     |
| Increase (decrease) in cash   | (3,686)                           | (123,197)                         |
| Cash and cash equivalents at the beginning of period                        | <u>3,798</u>                      | <u>199,388</u>                    |

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

EWORLD INTERACTIVE, INC. AND SUBSIDIARIES  
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

NINE MONTH PERIOD ENDING SEPTEMBER 30, 2009

(UNAUDITED)

(STATED IN U.S. DOLLARS)

|   |                     |                   |
|---|---------------------|-------------------|
| Cash and cash equivalents at the end of period    | <u>\$ 112</u>       | <u>\$ 76,191</u>  |
| Supplemental disclosure of cash flow information: |                     |                   |
| Noncash financing activities:                     |                     |                   |
| Conversion of Convertible notes                   | <u>\$ 2,226,185</u> |                   |
| Liabilities settled with Company stock            | <u>\$ 501,283</u>   | <u>\$ 531,700</u> |
| Loan fees settled with Company stock              | <u>\$ -</u>         | <u>\$ 315,364</u> |

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

EWorld Interactive, Inc.  
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
PERIOD ENDING SEPTEMBER 30, 2009  
(UNAUDITED)

**NOTE 1 – BASIS OF PRESENTATION**

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and cash flows at September 30, 2009 and for all periods presented have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with General Accepted Accounting Principles in the United States of America have been condensed or omitted. It is suggested that these condensed financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31st., 2008 audited financial statements. The results of operations for the period ended September 30th, 2009 and 2008 are not necessarily indicative of the operating results for the full years.

**NOTE 2 – GOING CONCERN**

The Company's financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company had become a shell company and had no operating income for the quarter to September 2009 and our ability to continue as a going concern is dependent upon acquiring new business opportunities with profitable operations.

In order to continue as a going concern and achieve a profitable level of operations, the Company will need, among other things, additional capital resources and to develop a consistent source of revenues. Management's plans include of investing in and developing all types of businesses related to the media industry.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plan described in the preceding paragraph and eventually attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

**NOTE 3 – SIGNIFICANT EVENTS**

Effective On September 21st 2009, following the amendment to the Articles of Incorporation of the Company on August 24th 2009, the Company approved a 40 to 1 reverse split of the Company's common stock and maintained the 155,000,000 shares authorized, consisting of 150,000,000 no par value common shares and 5,000,000 shares of Preferred Stock to be designated by the Board of Directors.

On September 28th 2009, the Company issued a total of 6,872,830 common shares to a total of nine entities as full consideration for settlement of all claims and obligations against the Company pursuant to convertible note agreements, which represented debt obligations of \$2,226,185 for cash received plus accrued interest.

We sold \$1,000,000 in convertible notes with a detachable warrant in the quarter ending March 31, 2007 for net proceeds of \$915,000 after loan fees of \$85,000. The terms of the notes are to provide 6% interest accruing beginning 90 days from the effective date, payable thereafter and have a one-year maturity. The notes are convertible at \$.60 per share and include a warrant for the purchase of an additional share at \$.80 for a period ending 2 years after the notes are issued. We are under the obligation to register the underlying equity with penalty if not declared effective. We did not register our shares in accordance with the agreements and have recorded a loan fee equal to the penalty required by the agreements. The loan fee is \$382,500 and was calculated based on our stock's trading price less an estimate of a discount for the thinly traded market as compared to the quantity of shares issued. The penalty shares were not issued but accrued for in the financial statements on March 31st 2007 as 'Unissued Shares, value \$382,500.

The conversion of the loan notes, accrued interest and the liability accrued for as unissued shares for 6,872,830 no par value common stock shares have been issued with a value attributed to these shares of \$68,728, estimated by management as fair value and equivalent to the value per share of the stock acquired by Blue Atelier. The write-off of the remaining convertible note value, accrued interest and unissued shares of \$3,041,239 is stated as an Extraordinary Item in the financial statements.

EWorld Interactive, Inc.  
NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
PERIOD ENDING SEPTEMBER 30, 2009  
(UNAUDITED)

**NOTE 4 – STOCK PURCHASE AGREEMENT**

In March 2009, the Company entered into a stock purchase agreement with Blue Atelier, Inc. Blue Atelier will acquire 25,000,000 newly authorized and issued stock EWorld Interactive, Inc. (“EWorld”) after EWorld executes the 40 to 1 reverse split and settlement of convertible notes and accrued interest in exchange for \$250,000. Blue Atelier will provide EWorld with a non-interest bearing loan of up to \$250,000 for costs and fees relating to the maintenance of the full reporting status of EWorld and its quotation of its common stock on the OTCBB. As of September 30th 2009, EWorld has borrowed \$214,990 from Blue Atelier, to be credited in full against the amount due under the stock purchase agreement.

Subsequent to 30th September 2009, the Company issued 25,000,000 of common shares to Blue Atelier Inc., a Nevada Corporation as full consideration for a debt obligation arising from an agreement entered into on March 30th, 2009.

**NOTE 5 – RELATED PARTY EVENTS**

The company records transactions of commercial substance with related parties at fair value as determined with management. The following is a list of related party transactions and balances as of September 30th, 2009 and 2008:

|                                   | 2009     | 2008     |
|-----------------------------------|----------|----------|
| Closing balances at September 30, |          |          |
| Due to shareholders               | \$20,600 | \$10,650 |

**NOTE 6 – SIGNIFICANT ACCOUNTING POLICIES**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recent Accounting Pronouncements

In June 2008, the FASB issued FASB Staff Position EITF 03-6-1, *Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities*, (“FSP EITF 03-6-1”). FSP EITF 03-6-1 addresses whether instruments granted in share-based payment transactions are participating securities prior to vesting, and therefore need to be included in the computation of earnings per share under the two-class method as described in FASB Statement of Financial Accounting Standards No. 128, “Earnings per Share.” FSP EITF 03-6-1 is effective for financial statements issued for fiscal years beginning on or after December 15, 2008 and earlier adoption is prohibited. We are not required to adopt FSP EITF 03-6-1; neither do we believe that FSP EITF 03-6-1 would have material effect on our consolidated financial position and results of operations if adopted.

In May 2008, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 163, “*Accounting for Financial Guarantee Insurance Contracts-and interpretation of FASB Statement No. 60*”. SFAS No. 163 clarifies how Statement 60 applies to financial guarantee insurance contracts, including the recognition and measurement of premium revenue and claims liabilities. This statement also requires expanded disclosures about financial guarantee insurance contracts. SFAS No. 163 is effective for fiscal years beginning on or after December 15, 2008, and interim periods within those years. SFAS No. 163 has no effect on the Company’s financial position, statements of operations, or cash flows at this time.

In May 2008, the Financial Accounting Standards Board (“FASB”) issued SFAS No. 162, “*The Hierarchy of Generally Accepted Accounting Principles*”. SFAS No. 162 sets forth the level of authority to a given accounting pronouncement or document by category. Where there might be conflicting guidance between two categories, the more authoritative category will prevail. SFAS No. 162 will become effective 60 days after the SEC approves the PCAOB’s amendments to AU Section 411 of the AICPA Professional Standards. SFAS No. 162 has no effect on the Company’s financial position, statements of operations, or cash flows at this time.



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

This statement may include projections of future results and “forward looking statements” as that term is defined in Section 27A of the Securities Act of 1933 as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934 as amended (the “Exchange Act”). All statements that are included in this Quarterly Report, other than statements of historical fact, are forward looking statements. Although management believes that the expectations reflected in these forward looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct.

### Results of Operations

Eworld Interactive formerly operated: Eworld China and Mojo Mediaworks.

Although, Eworld Interactive was able to launch an online game as intended and Mojo Media Works was able to produce a television show in the PRC as intended, revenues did not develop rapidly enough to sustain operations and the Company was unable to obtain sufficient additional financing to maintain operations.

The Company has disposed of Shanghai Eworld China Information Technologies Co., Ltd (“Eworld China”) and Mojo Media Works Limited and its subsidiaries in August 2008. The Company has ceased all business in online game and media production business and became a shell company with no functional operations.

The Company’s Articles of Incorporation were amended on August 24, 2009 to authorize a 40 for 1 reverse split and maintain the 155,000,000 shares authorized, consisting of 150,000,000 no par value common shares and 5,000,000 shares of Preferred Stock to be designated by the Board of Directors. Although the amendment was filed and effective on August 24, 2009 the reverse split was not effective until September 21, 2009. In connection with reverse split our symbol for quotation on the OTC.BB was changed from “EWIN” to “EWRL”.

On September 28, 2009, the Eworld Interactive, Inc. (“EWRL”) issued a total of 6,872,830 common shares to a total of nine entities and individuals as full consideration for settlement of all claims and obligations against EWRL pursuant outstanding convertible note agreements. The notes represented debt obligation for cash received totaling \$2,226,185 plus accrued interest.

Effective March 30, 2009 (this “Agreement”) Eworld Interactive, Inc., (the “Seller” or “EWRL”) entered into a Stock Purchase Agreement with Blue Atelier, Inc., a Nevada corporation (the “Buyer”). On October 13, 2009, pursuant to the Agreement, the Buyer acquired twenty five million (25,000,000) shares of EWRL Common Stock.

The agreement provided that the Buyer make available, a non-interest bearing loan of up to Two Hundred Fifty Thousand Dollars (\$250,000) to the Company which could be advanced prior to closing and the proceeds of which were to be credited in full towards the amount due in respect of the share purchase. Pursuant to the terms of the Agreement, the Buyer has provided cash loans of \$215,000 and a note payable bearing interest at rate of 10% for \$35,000 due within 180 days of the closing date of October 13, 2009.

On October 13, 2009, the Board of Directors of EWorld Interactive, Inc. (EWRL) appointed Gerry Shirren to the Board of Directors and as Chief Operating Officer and Chief Financial Officer.

On October 13, 2009, the Board of Directors of EWorld Interactive , Inc. (EWRL) appointed Harold A. Rothstein to the Board of Directors.

Eworld intends to seek new business opportunities and may acquire a new operating entity that may have a different business scope.

It may be that any acquisition of a business venture the Company would make would be by conducting a reorganization involving the issuance of the Company’s restricted securities. Such a reorganization may involve a merger (or combination pursuant to state corporate statutes, where one of the entities dissolves or is absorbed by the other), or it may occur as a consolidation, where a new entity is formed and the Company and such other entity combine assets in the new entity.

There are currently no contracts or agreements between any operating companies that are searching for shell companies with which to merge.

## **Financial Summary**

### Results of Operations for the Nine-Months Ended September 30, 2009

The Company reports a net income of \$2,773,609 for the Nine-months ended September 30, 2009.

The net Income for the nine-months ended September 30, 2009 of \$2,773,609 is comprised of an operating loss of \$134,527 and interest expense of \$131,103 and a gain from Extraordinary Items of 3,041,239.

The operating loss for the nine-months ended September 30, 2009 of \$134,527 is comprised of bad debts totaling \$101,337 and professional fees of 33,190.

### Liquidity and Capital Resources

During the nine-months ended September 30, 2009 the Company's cash position decreased \$3,686. Net cash used in operating activities totaled \$287,404; no cash was realized from or used in investing activities; and \$214,990 was provided by financing activities from short-term borrowings.

### Cash Flow Requirements for Operations.

As of September 30, 2009 we had available cash of \$112. Our current operations are limited due to a lack of available funding. Cash demands are currently debt payable, administrative, accounting and legal expense. We are operating month to month satisfying our cash requirements with loans and equity sales. We will continue to rely on continued loans and other investment which may or may not be available to us when needed and could impact negatively our ability to continue operations.

### Convertible Notes

On September 28, 2009, the Eworld Interactive, Inc. ("EWRL") issued a total of 6,872,830 common shares to a total of nine entities and individuals as full consideration for settlement of all claims and obligations against EWRL pursuant outstanding convertible note agreements. The notes represented debt obligation for cash received totaling \$2,226,185 plus accrued interest.

### *Going Concern*

The accompanying condensed interim consolidated financial statements have been prepared assuming that we will continue as a going concern. As the Company has now become a shell company with no operating revenue, our ability to continue as a going concern is dependent upon acquiring new company with profitable operations. Any acquisition of a business venture involving reorganization and issuance of the Company's restricted securities. There are currently no contracts or agreements between any companies that are searching for shell companies with which to merge.

We also intend to use other borrowings and security sales to mitigate the affects of our cash position, however, no assurance can be given that debt or equity financing, if and when required, will be available. The condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and classification of liabilities that might be necessary should we be unable to continue in existence.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not Applicable

**Item 4T. Controls and Procedures**

*Evaluation of Disclosure Controls and Procedures*

The Company's Principal Executive Officer and Principal Financial Officer, Mr. Peckham, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer has concluded that, as of the end of the period covered by this report, our disclosure controls and procedures are effective in ensuring that information required to be disclosed in our Exchange Act reports is (1) recorded, processed, summarized and reported in a timely manner, and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

*Changes in Internal Controls*

There has been no change in the Company's internal controls over financial reporting that occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

Internal control systems, no matter how well designed and operated, have inherent limitations. Therefore, even a system which is determined to be effective cannot provide absolute assurance that all control issues have been detected or prevented. Our systems of internal controls are designed to provide reasonable assurance with respect to financial statement preparation and presentation.

## **Part II. OTHER INFORMATION**

### **Item 1. Legal Proceedings**

None, for the three month period ending June 30, 2009

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

#### *Share Issuance Debt Settlement*

On September 28, 2009, the Eworld Interactive, Inc. ("EWRL") issued a total of 6,872,830 common shares to a total of nine entities and individuals as full consideration for settlement of all claims and obligations against EWRL pursuant outstanding convertible note agreements. The notes represented debt obligation for cash received totaling \$2,226,185 plus accrued interest.

All sales were issued as exempted transactions under Section 4(2) of the Securities Act of 1933, Regulation S and are subject to Rule 144 of the Securities Act of 1933. The recipient(s) of our securities took them for investment purposes without a view to distribution. Furthermore, they had access to information concerning our Company and our business prospects; there was no general solicitation or advertising for the purchase of our securities; and the securities are restricted pursuant to Rule 144.

#### *Share Issuance Debt Settlement*

On October 13, 2009, the Eworld Interactive, Inc. ("EWRL") issued a total of 25,000,000 common shares to Blue Atelier, Inc., a Nevada corporation ("Buyer"); as full consideration for settlement of all claims and obligations against EWRL pursuant to an outstanding loan agreement entered into on March 30, 2009. The loan represented a debt obligation for cash received of \$215,000 and a note payable bearing interest at rate of 10% for \$35,000 resulting in consideration received totaling \$250,000.

The proceeds were used for costs and fees required to maintain the full reporting status of EWRL and quotation of its common stock on the OTC.BB; to complete the tasks required by the March 30, 2009 agreement; and for other purposes expressly approved by the Buyer.

The sale was issued as an exempt transaction under Section 4(2) of the Securities Act of 1933 and is subject to Rule 144 of the Securities Act of 1933. The recipient of our securities took them for investment purposes without a view to distribution. Furthermore, they had access to information concerning our Company and our business prospects; there was no general solicitation or advertising for the purchase of our securities; and the securities are restricted pursuant to Rule 144.

### **Item 3. Defaults Upon Senior Securities**

None, for the three month period ended September 30, 2009

### **Item 4. Submission of Matters to a Vote of Security Holders**

#### *Amendment to Articles of Incorporation*

The Company's Articles of Incorporation were amended on August 24, 2009 to authorize a 40 for 1 reverse split and maintain the 155,000,000 shares authorized, consisting of 150,000,000 no par value common shares and 5,000,000 shares of Preferred Stock to be designated by the Board of Directors. Although the amendment was filed and effective on August 24, 2009 the reverse split was not effective until September 21, 2009. In connection with reverse split our symbol for quotation on the OTC.BB was changed from "EWIN" to "EWRL".

Article IV, Capital Stock, was amended to read as follows: This Corporation is authorized to issue one hundred and fifty-five million (155,000,000) shares, consisting of one hundred and fifty million (150,000,000) shares designated as "Common Stock" and five million (5,000,000) shares designated as "Preferred Stock" both shall have "No Par Value" Each Common Share issued and outstanding shall be entitled to one vote. The Preferred Shares shall be designated by the Board of Directors. The Corporation is authorized to conduct a forty to one (40:1) reverse stock split of the outstanding shares of Common Stock

The amendment was approved by written consent of a majority of the common shareholders.

### **Item 5. Other Information**

None

## Item 6. Exhibits

Eworld Interactive, Inc. includes by reference the following exhibits:

- 3.1 Articles of Incorporation, exhibit 3.1 filed with the registrant's Registration Statement on Form SB-2, as amended; filed with the Securities and Exchange Commission on December 27, 2005.
- 3.2 Amendment to Articles of Incorporation, exhibit 3.2 filed with the registrant's Registration Statement on Form SB-2, as amended; filed with the Securities and Exchange Commission on December 27, 2005.
- 3.3 Amendment to Articles of Incorporation, exhibit 3.3 filed with the registrant's Registration Statement on Form SB-2, as amended; filed with the Securities and Exchange Commission on December 27, 2005.
- 3.4 Bylaws, filed as exhibit 3.4 with the registrant's Registration Statement on Form SB-2, as amended; filed with the Securities and Exchange Commission on December 27, 2005.
- 3.5 Amendment to Articles of Incorporation, filed as exhibit 3.5 with the registrant's Registration Statement on Form 8-A; filed with the Securities and Exchange Commission on December 14, 2006.
- 3.6 Amendment to Articles of Incorporation, filed as exhibit 3.1 with the registrant's Current Report on Form 8-K; filed with the Securities and Exchange Commission on October 2, 2009.
- 10.1 Stock Purchase Agreement – Between Eworld Interactive, Inc., and Blue Atelier, Inc., March 30, 2009 filed as exhibit 10.1 with the registrant's Current Report on Form 8-K; filed with the Securities and Exchange Commission on April 3, 2009.
- 10.2 Promissory Note – Between Blue Atelier, Inc., and Eworld Interactive, Inc., October 13, 2009. filed as exhibit 10.2 with the registrant's Current Report on Form 8-K; filed with the Securities and Exchange Commission on October 16, 2009.

Eworld Interactive, Inc. includes herewith the following exhibits:

- 31.1 Certification of Principal Executive Officer (Rule 13a-14(a)/15d-14(a))
- 31.2 Certification of Principal Financial Officer (Rule 13a-14(a)/15d-14(a))
- 32.1 Certification of Principal Executive Officer (18 U.S.C. 1350)
- 32.2 Certification of Principal Financial Officer (18 U.S.C. 1350)

## SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### **Eworld Interactive, Inc.**

Date: November 19, 2009

By: /s/ Guy Peckham  
Guy Peckham, President  
Principal Executive Officer

Date: November 19, 2009

By: /s/ Gerry Shirren  
Gerry Shirren, CFO  
Principal Accounting Officer