# Eline Entertainment Group, Inc.
## Quarterly Report
### Third Quarter 2014
Three Months and Nine Months ending September 30, 2014


| | | |
|---|---|---|
| Item 1: | Name of the issuer and its predecessors (if any) | 1 |
| Item 2: | Address of the issuer's principal executive offices | 1 |
| Item 3: | Security Information | 1 |
| Item 4: | Issuance History | 2 |
| Item 5: | Financial Statements | 3 |
| Item 6: | Describe the Issuer's Business, Products and Services | 12 |
| Item 7: | Describe the Issuer's Facilities | 12 |
| Item 8: | Officers, Directors, and Control Persons | 12 |
| Item 9: | Third Party Providers | 12 |
| Item 10: | Issuer Certification | 13 |

**1) Name of the issuer and its predecessors (if any)**

Eline Entertainment Group, Inc.

**2) Address of the issuer's principal executive offices**

Company Headquarters
Address 1: 16211 N. Scottsdale Rd. A6A-192
Address 2: Scottsdale
Address 3: AZ 85254
Phone: 623-335-1111
Email: elineentertainmentgroup@yahoo.com.
Website(s): http://www.elineentertainmentgroup.com

IR Contact
Address 1: 16211 N. Scottsdale Rd. A6A-192
Address 2: Scottsdale
Address 3: AZ 85254
Phone: 623-335-1111
Email: elineentertainmentgroup@yahoo.com.
Website(s): http://www.elineentertainmentgroup.com

**3) Security Information**

Trading Symbol: EEGI
Exact title and class of securities outstanding: Common
CUSIP:
Par or Stated Value: $0.001
Total shares authorized: 1,888,000,000 as of: 06/30/14
Total shares outstanding: 870,341,439 as of: 06/30/14
Total Public Float: 328,905,474 as of: 06/30/14

Transfer Agent
Name: Signature Stock Transfer
Address 1: 2632 Coachlight Court
Address 2: Plano
Address 3: Texas, 75093
Phone: (972) 612-4120

Is the Transfer Agent registered under the Exchange Act?* Yes: x No:
*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:
NONE

Describe any trading suspension orders issued by the SEC in the past 12 months.
NONE

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:
NONE

## 1) Issuance History

As of September 30, 2014 for the twelve months ended September 30, 2014 **no** issuances have taken place.

## 2) Financial Statements

* See Financial Statements below

Eline Entertainment Group, Inc.
Consolidated Balance Sheets
(Unaudited)

| | September 30, 2014 | December 31, 2013 |
|---|---|---|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | $ - | $ - |
| Total Current Assets | - | - |
| Intangible assets (Net) | 20,000 | 20,000 |
| Goodwill | 100,000 | 100,000 |
| TOTAL ASSETS | $ 120,000 | $ 120,000 |
| LIABILITIES AND STOCKHOLDERS' DEFICIT | | |
| CURRENT LIABILITIES | | |
| Accounts payable and accrued expenses | $ 500 | $ - |
| Derivative liability | 442,789 | - |
| Current portion of long-term debt | - | 280,000 |
| Total Current Liabilities | 443,289 | 280,000 |
| Total Liabilities | 443,289 | 280,000 |
| STOCKHOLDERS' DEFICIT | | |
| Common stock, par value $0.001 per share, | | |
| 1,888,000,000 shares authorized; 870,341,439 and 870,341,439 | | |
| issued, and outstanding 9/30/2014 and 12/31/2013, respectively | 8,703,414 | 8,703,414 |
| Additional paid-in-capital | - | - |
| Retained Deficit | | |
| Total Stockholders' Deficit | | |
| TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT | $ 120,000 | $ 120,000 |

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

Eline Entertainment Group, Inc.
Consolidated Statements of Operations
(Unaudited)

| | For The Three Months Ended September 30, | | For The Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2014 | 2013 | 2014 | 2013 |
| REVENUES | $ - | $ - | $ - | $ - |
| COST OF SALES | - | - | - | - |
| GROSS PROFIT | - | - | - | - |
| OPERATING EXPENSES | (81,320) | - | 20,500 | - |
| LOSS FROM OPERATIONS | 81,320 | - | (20,500) | - |
| OTHER INCOME (EXPENSE) | | | | |
| Gain(loss) on derivatives | 8,224 | - | 8,224 | - |
| Interest expense | (280,913) | - | (151,013) | - |
| TOTAL OTHER INCOME (EXPENSE) | (272,689) | - | (142,789) | - |
| NET INCOME (LOSS) BEFORE INCOME TAXES | (191,369) | - | (163,289) | - |
| PROVISION FOR INCOME TAXES | - | - | - | - |
| NET INCOME (LOSS) | $ (191,369) | $ - | $ (163,289) | $ - |
| OTHER COMPREHENSIVE INCOME /(LOSS) NET OF TAXES | | | | |
| Unrealized income (loss) on held for sale marketable securities | - | - | - | - |
| COMPREHENSIVE INCOME/(LOSS) | $ (191,369) | $ - | $ (163,289) | $ - |
| LOSS PER SHARE - BASIC & DILUTED | $ (0.00) | $ - | $ (0.00) | $ - |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | 870,341,439 | 870,341,439 | 870,341,439 | 870,341,439 |

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

Eline Entertainment Group, Inc.
Consolidated Statements of Cash Flows
(Unaudited)

| | For The Nine Months Ended September 30, | |
|---|---|---|
| | 2014 | 2013 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net Income(loss) | $ (163,289) | $ - |
| Adjustments to reconcile net loss to net cash provided by | | |
| (used in) operating activities: | | |
| Change in derivative liability | 442,789 | - |
| Change in operating assets and liabilities, net of acquisition: | | |
| Increase (decrease) in accounts payable and accrued expenses | 500 | - |
| | | |
| Net Cash Used in Operating Activities | 280,000 | - |
| | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| | | |
| Net Cash provided by (used in) Investing Activities | - | - |
| | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Discounts on notes payable | | - |
| | | |
| Net Cash Provided by (Used in) Financing Activities | | - |
| | | |
| INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | - | - |
| | | |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | - | - |
| | | |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | $ - | $ - |
| | | |
| SUPPLEMENTAL DISCLOSURES: | | |
| | | |
| Cash paid for interest | $ - | $ - |
| Cash paid for income taxes | $ - | $ - |
| | | |
| NON-CASH INVESTING AND FINANCING ACTIVITIES: | | |
| | | |
| Common stock reverse split | $ 3,046,691 | $ - |
| Stock issued for debt | $ 144,200 | $ - |

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

# Eline Entertainment Group, Inc.
## Notes to Financial Statements
**As of September 30, 2014**

**NOTE 1 - ORGANIZATION AND OPERATIONS**

**Organization**

Eline Entertainment Group, Inc. was incorporated under the laws of the State of Nevada on June 12, 1997. The company was started as a holding company that had two divisions: Industrial Holding Group, Inc. (Industrial Holding) and 24/7 MRI, Inc. (24/7 MRI). Eline formed 24/7 MRI in June 2003 to explore opportunities in the diagnostic imaging field. In October 2004, the Company formed a wholly owned subsidiary, Storm Depot International Corp., which distributed hurricane protection products through a network of licensed dealers and independent retailers. Among the products distributed by Storm Depot International Corp. is its E-Panel product, a lightweight translucent hurricane panel. Storm Depot International Corp. also distributed conventional hurricane protection panels/systems, including aluminum panels, steel panels, roll down shutters, accordion shutters, a variety of rechargeable tools, hand tools and electric generators, plus an assortment of related accessories.

In August 2005, Eline purchased a controlling interest in the voting securities of CTD Holdings, Inc. (CTD), a company engaged in the cyclodextrin industry. In November 2010, the Company announced that its subsidiary, Let The Good Times Roll merged with Bad Boy Party Buses and Limos. In November 2010, the Company completed its merger with Vu365. CTD was subsidiary of the Company that sold cyclodextrins (Cyclodextrins or CDs) and related products to the food, pharmaceutical and other industries. CTD also provides consulting services in the area of commercialization of CD applications.

In 2010, the Company's main goal was to take an innovative approach to education with focus on leadership skills training, and preparing students for higher education on an international level. The company's Innovation Training Centers met international education standards and the objective was to become the educational brand of choice in Chinese markets. Together with their subsidiary Innovation Investment Group, the Company completed its 2009 plan and opened ten Centers across China. However in 2011 most of the centers were discontinued and the subsidiary companies of Eline terminated. The company continued to license intellectual property and URL's owned from previous operations as of 09/30/14.

Eline Entertainment Group Inc. was subsequently purchased in July 2014, and reinstated in the State of Nevada and the OTC. The new corporate structure is designed to be the holding company for multiple education entities including colleges and other education related entities. In that regard, Eline Entertainment Group Inc. acquired Graystone Education, Inc. as a wholly owned subsidiary on September 22, 2014.

**NOTE 2- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Principles of Consolidation:***

The consolidated financial statements include the accounts of the Company. All significant inter-company accounts and transactions have been eliminated in consolidation.

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

***Cash and Cash Equivalents:***

For financial statement presentation purposes, short-term, highly liquid investments with original maturities of three months or less are considered to be cash equivalents. The Company maintains its cash accounts at several financial institutions, which at times may exceed the insurable FDIC limit, but management believes that there is little risk of loss.

***Fair Value of Financial Instruments:***

In September 2006, the Financial Accounting Standards Board (FASB) introduced a framework for measuring fair value and expanded required disclosure about fair value measurements of assets and liabilities. The Company adopted the standard for those financial assets and liabilities as of the beginning of the 2008 fiscal year and the impact of adoption was not significant. FASB Accounting Standards Codification (ASC) 820 " *Fair Value Measurements and Disclosures* " (ASC 820) defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

●Level 1—Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

●Level 2—Inputs other than quoted prices included within Level 1 that are observable for the asset or liability; either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g. interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

●Level 3—Inputs that are both significant to the fair value measurement and unobservable.

The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments. These financial instruments include investments in available-for-sale securities and accounts payable and accrued expenses. The Company has also applied ASC 820 for all non- financial assets and liabilities measured at fair value on a non-recurring basis. The adoption of ASC 820 for non-financial assets and liabilities did not have a significant impact on the Company's financial statements.

***Comprehensive Income:***

ASC Topic 220 (SFAS No. 130) establishes standards for reporting comprehensive income and its components. Comprehensive income is defined as the change in equity during a period from transactions and other events from non-owner sources. Per the consolidated financial statements, the Company has purchased available-for-sale securities that are subject to this reporting.

***Other-Than-Temporary Impairment:***

All of our non-marketable and other investments are subject to a periodic impairment review. Investments are considered to be impaired when a decline in fair value is judged to be other-than-temporary. When events or changes in circumstances indicate that long- lived assets other than goodwill may be impaired, an evaluation is performed to determine if a write-down to fair value is required. When an asset is classified as held for sale, the asset's book value is evaluated and adjusted to the lower of its carrying amount or fair value less cost to sell. In addition, depreciation and amortization ceases while it is classified as held for sale.

The indicators that we use to identify those events and circumstances include:

- The investee's revenue and earnings trends relative to predefined milestones and overall business prospects;
- The general market conditions in the investee's industry or geographic area, including regulatory or economic changes;

- Factors related to the investee's ability to remain in business, such as the investee's liquidity, debt ratios, and the rate at which the investee is using its cash; and

- The investee's receipt of additional funding at a lower valuation. If an investee obtains additional funding at a valuation lower than our carrying amount or a new round of equity funding is required for the investee to remain in business, and the new round of equity does not appear imminent, it is presumed that the investment is other than temporarily impaired, unless specific facts and circumstances indicate otherwise.

***Revenue and Cost Recognition:***

The Company applies paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. The Company also receives shares in certain companies for providing capital and investment services. Therefore when this type of income is recognized, the benefits) are accrued as the wages are earned. Less than five percent of our revenue comes from permanent placements where the Company earns and accrues the revenue 30 days after a client hires an employee full time on their payroll as per the Company's hire agreement. The Company's only expense on this work is commissions, which are accrued and payable when the revenue is earned.

***Investments:***

Marketable securities are classified as available-for-sale. Accordingly, they are carried at fair value with unrealized gains and losses reported, net of deferred income taxes, in accumulated other comprehensive income, a separate component of stockholder's equity.

***Allowance for Doubtful Accounts:***

The Company establishes an allowance for doubtful accounts through a review of several factors, including historical collection experience, current aging status of the customer accounts and the financial condition of the customers.

***Fixed Assets:***

Fixed assets are reported at cost less accumulated depreciation, which is generally provided on the straight-line method over the estimated useful lives of the assets. Upon sale or retirement of an asset, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is recognized.

***Reclassifications:***

Certain reclassifications have been made to prior year balances to conform to the current year's presentation only in such cases where the impact in the prior year's financials would have been immaterial to that period.

***Financing Fees:***

Financing fees are being amortized over the life of the related liability on the straight-line method which is not materially different than using the effective interest method.

***Goodwill and Intangible Assets Arising from Acquisitions:***

The reported amounts of goodwill for each business-reporting unit are reviewed for impairment on an annual basis and more frequently when negative conditions such as significant current or projected operating losses exist. The annual impairment test for goodwill is a two-step process and involves comparing the estimated fair value of each business-reporting unit to the business-reporting unit's carrying value, including goodwill. If the fair value of a business-reporting unit

exceeds its carrying amount, goodwill of the business reporting unit is not considered impaired, and the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test would be performed to measure the amount of impairment loss to be recorded, if any.

***Evaluating Impairment of Long-lived Assets:***

When events or changes in circumstances indicate that long-lived assets other than goodwill may be impaired, an evaluation is performed. For an asset classified as held for use, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to fair value is required. When an asset is classified as held for sale, the asset's book value is evaluated and adjusted to the lower of its carrying amount or fair value less cost to sell. In addition, depreciation and amortization ceases while it is classified as held for sale.

***Net Loss Per Share:***

Net loss per common share is computed using the weighted average number of common shares outstanding. Diluted earnings per share (EPS) includes additional dilution from common stock equivalents, such as stock issuable pursuant to the exercise of stock options and warrants. Common stock equivalents are not included in the computation of diluted earnings per share when the Company reports a loss because to do so would be anti−dilutive. The following is a reconciliation of the computation for basic and diluted EPS for the nine months ended September 30, 2014 and 2013:

| | 9/30/2014 | 9/30/2013 |
|---|---|---|
| Net Income (Loss) | $ (163,289) | $ 0 |
| Weighted-average common shares outstanding basic: | | |
| Weighted-average common stock basic | 870,341,439 | 870,341,439 |
| Equivalents | | |
| Stock options | - | - |
| Warrants | - | - |
| Convertible Notes | - | - |
| Weighted-average common shares outstanding- Diluted | 870,341,439 | 870,341,439 |

***Income Taxes:***

The Company recognizes the amount of taxes payable or refundable for the year. In addition, deferred tax assets and liabilities are recognized for the expected future tax consequences of events that have been recognized in the financial statements or tax returns. A valuation allowance is provided for deferred tax assets if it is more likely than not that these items will not be realized.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. The Company is in the process of bringing its tax filings current.

***Recently Issued Accounting Pronouncements:***

In January 2010, the FASB issued ASU No. 2010-06, *Fair Value Measurements and Disclosures* ("ASU 2010-06"). This standard updates FASB ASC 820, *Fair Value Measurements* ("ASC 820"). ASU 2010-06 requires additional disclosures about fair value measurements including transfers in and out of Levels 1 and 2 and separate disclosures about purchases, sales, issuances, and settlements relating to Level 3 measurements. It also clarifies existing fair value disclosures about the level of desegregations and about inputs and valuation techniques used to measure fair value. The standard is effective for interim and annual reporting periods beginning after December 15, 2009 except for the disclosures about purchases, sales, issuances and settlements, which is effective for fiscal years beginning after December 15, 2010 and for interim periods within those fiscal years. The Company adopted ASU 2010-06 on January 1, 2010, which had no material impact on the financial statements. Other recent accounting pronouncements issued by the FASB (including its EITF), the AICPA, and the SEC did not or are not believed by management to have a material impact on the Company's present or future financial statements.

On March 5, 2010, the FASB issued ASU No. 2010-11 Derivatives and Hedging Topic 815 "Scope Exception Related to Embedded Credit Derivatives." This ASU clarifies the guidance within the derivative literature that exempts certain credit related features from analysis as potential embedded derivatives requiring separate accounting. The ASU specifies that an embedded credit derivative feature related to the transfer of credit risk that is only in the form of subordination of one financial instrument to another is not subject to bifurcation from a host contract under ASC 815-15-25, "*Derivatives and Hedging — Embedded Derivatives — Recognition.*" All other embedded credit derivative features should be analyzed to determine whether their economic characteristics and risks are "clearly and closely related" to the economic characteristics and risks of the host contract and whether bifurcation is required. The ASU became effective for the Company on July 1, 2010. The adoption of this ASU did not have an impact on the Company's consolidated financial statements.

In May 2011, the FASB issued ASU 2011-04, which was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and IFRS. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This guidance is effective for the Company beginning on January 1, 2012. The adoption of ASU 2011-04 is not expected to significantly impact the Company's consolidated financial statements.

In June 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-05, *Presentation of Comprehensive Income*. ASU 2011-05 revises the manner in which entities present comprehensive income in their financial statements. The new guidance removes the presentation options in Accounting Standards Codification (ASC) 220, *Comprehensive Income*, and requires entities to report components of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. The ASU does not change the items that must be reported in other comprehensive income. In December 2011, the FASB issued ASU 2011-12 which defers the requirement in ASU 2011-05 that companies present reclassification adjustments for each component of accumulated other comprehensive income in both net income and other comprehensive income on the face of the financial statements. ASU 2011-05 is effective for fiscal years and interim reporting periods within those years beginning after December 15, 2011, with early adoption permitted. The adoption of ASU 2011-05, as amended by ASU 2011-12, is not expected to significantly impact the Company's consolidated financial statements.

In September 2011, the FASB issued ASU 2011-08, which provides an entity the option to first assess qualitative factors to determine whether it is necessary to perform the current two-step test for goodwill impairment. If an entity believes, as a result of its qualitative assessment, that it is more-likely-than-not that the fair value of a reporting unit is less than its carrying amount, the quantitative impairment test is required. Otherwise, no further testing is required. The revised standard is effective for the Company for its annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The adoption of ASU 2011-08 is not expected to significantly impact the Company's consolidated financial statements.

**NOTE 3- ACCOUNTS RECEIVABLE**

The company currently has no receivables. However, the company does have intellectual property assets and with the new

product line will have a steady revenue stream generated by the sale of its retail products.

**NOTE 4- ACQUISITIONS AND INTANGIBLES**

The company has not engaged in any acquisitions throughout the period.

**Intangible assets consist of the following:**

| | 9/30/2014 | 12/31/2013 |
|---|---|---|
| Trademarks | $ 20,000 | $ 20,000 |
| Software | 0 | 0 |
| Less: Accumulated amortization Impairment | 0 | 0 |
| Intangible Assets, Net | 20,000 | 20,000 |
| Goodwill | $ 100,000 | $ 100,000 |
| Less: impairment | 0 | 0 |
| Goodwill, Net | $ 100,000 | $ 100,000 |

**NOTE 5- CONVERTIBLE PROMISSORY NOTES**

As of June 30, 2014, The company owes a total of $280,000.00 from past loans that have been put into two convertible notes dated as follows: Note dated 2/13/2012 in the amount of $190,000.00 USD, and a Note dated 6/11/2012 for $90,000.00 USD. Both of these convertible debt notes convert to common shares at a rate of 50% discount to the current market price. This market price is calculated using an average of the lowest three closing bids over the thirty trading days prior to conversion. This allows for a variable conversion price that will convert into a fair amount of common shares based on current market price. Both notes were due in full immediately, and were therefore immediately in default.

Notes payable consist of the following for the periods ended September 30, 2014:

| | | | |
|---|---|---|---|
| Original Notes Payable | $ 190,000 | $ 90,000 | 20,000 |
| Discounts on Notes | (190,000) | (90,000) | (20,000) |
| Notes Payable Balance at September 30, 2014 | $ 0 | $ 0 | $ 0 |
| Derivative liability on note | $ 285,641 | $ 135,304 | 30,068 |
| Conversions | 0 | 0 | 0 |
| Adjustment to September 30, 2014 Fair Market Value | (11) | (5,439) | (2,774) |

| | | | |
|---|---|---|---|
| Derivative liability at September 30, 2014 | $ 285,630 | $ 129,865 | $ 27,294 |

**NOTE 6- LOAN PAYABLE TO SHAREHOLDERS**

As of June 30, 2014 there were no loans payable to shareholders outstanding.

**NOTE 7- GOING CONCERN**

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Currently, the Company has limited operating history and has incurred operating losses, insuficient working capital on hand and an accumulated deficits to date. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management believes that the Company's capital requirements will depend on many factors including the success of the Company's development efforts and its efforts to raise capital. Management also believes the Company needs to raise additional capital for working capital purposes. There is no assurance that such financing will be available in the future. The conditions described above raise substantial doubt about our ability to continue as a going concern. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

**NOTE 10- COMMITMENTS AND CONTINGENCIES**

The Company currently has no commitments or contingencies.

**NOTE 11 - DISCONTINUED OPERATIONS**

In 2011, the company was divested of its major operations, but continued operating as a licensing company maintaining its intellectual property and attempting to license it. As of 09/30/14 the company still operated as a licensing company.

**NOTE 12- INCOME TAXES**

Deferred income tax assets and liabilities are computed annually for differences between financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period plus or minus the change during the period in deferred tax assets and liabilities.

The effective tax rate on the net loss before income taxes differs from the U.S. statutory rate as follows:

| | 9/30/2014 |
|---|---|
| U.S statutory rate | 34.00% |
| Less valuation allowance | (34.00)% |
| Effective tax rate | 0.00% |

The significant components of deferred tax assets and liabilities are as follows:

| | 9/30/2014 |
|---|---|
| Deferred tax assets | |
| Net operating losses | $ (9,026,703) |
| Deferred tax liability | |
| Net deferred tax assets | (3,069,079) |
| Less valuation allowance | 3,069,079 |
| Deferred tax asset - net valuation allowance | $ 0 |

On an interim basis, the Company has a net operating loss carryover of approximately $8,729,154 available to offset future income for income tax reporting purposes, which will expire in various years through 2032, if not previously utilized. However, the Company's ability to use the carryover net operating loss may be substantially limited or eliminated pursuant to Internal Revenue Code Section 382. The Company adopted the provisions of ASC 740-10-50, formerly FIN 48, and "Accounting for Uncertainty in Income Taxes". The Company had no material unrecognized income tax assets or liabilities as of September 30, 2014.

The Company's policy regarding income tax interest and penalties is to expense those items as general and administrative expense but to identify them for tax purposes. During the six months ended September 30, 2014, there were no income tax, or related interest and penalty items in the income statement, or liabilities on the balance sheet. The Company files income tax returns in the U.S. federal jurisdiction and Nevada state jurisdiction. We are not currently involved in any income tax examinations.

**END OF NOTES TO FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2014**

**3) Describe the Issuer's Business, Products and Services**

A. As of 09/30/14: Eline Entertainment Group, Inc. structure is designed to be the holding company for multiple education entities including colleges and other education related entities.
B. The company was originally incorporated in 1997
C. The company's SIC code is listed as 822 – Colleges, Universities, Professional Schools, Junior Colleges, and Technical Institutes
D. The company's fiscal year ends on December 31st.
E. The company's primary product is education and licensing related intellectual property.

**5) Describe the Issuer's Facilities**

A. As of 09/30/14, the company had no need for physical facilities and operates using a postal mailbox.

**6) Officers, Directors, and Control Persons**

A. As of the date of this information statement, the following are Officers or Directors:
Dr. Lori Layne – CEO & Director
Dr. Tim Brooker – COO
Rodney Wilkinson – CFO & Director
B. None of the Officers or Directors has any disciplinary history; a criminal conviction; or an entry of a judgment or decree by a court of any jurisdiction that would limit involvement with any type of business, securities, commodities, or banking activities. Furthermore none have had a finding or judgment, or any order by self-regulatory organizations of any kind.
C. As of the date of this information statement the only individual or entity owning more than 10% of the company's common or preferred securities is as follows:
D.

Dr. Lori Layne, President/CEO/Director
Address 1: 16211 N. Scottsdale Rd. A6A-192
Address 2: Scottsdale
Address 3: AZ 85254
Phone: 623-335-1111
Ownership: 2,000,000 Shares of Preferred Series A Stock.

**7) Third Party Providers**

Legal Counsel
Kaleem Sikandar, ESQ
THE LAW OFFICE OF KALEEM SIKANDAR
204B East Main Street Port
Jefferson, NY 11777
Email: Kaleem.Sikandar@gmail.com

Signature Stock Transfer Inc.
2632 Coachlight Court
Plano, Texas 75093

**4) Issuer Certification**

I, Dr. Lori Layne, certify that:

1. I have reviewed this Initial Disclosure Statement of Eline Entertainment Group, Inc. Symbol: EEGI;

2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

11/14/14
[Date]

/S/ Dr. Lori Layne CEO's Signature]

/S/ Dr. Lori Layne [CFO's Signature]