

# **WORLD ASSURANCE GROUP, INC.**

**A Nevada Corporation Listed on the OTC Pink Market**

**Current Trading Symbol: Pinksheets WDAS**

**CUSIP Number: 98143F 10 8**

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## **Quarterly Report**

**For the Three Months Ended March 31, 2013 and 2012**

**Including Financial Statements and Disclosures**

**Prescribed by OTC Pink Market for**

**Alternative Reporting Standards.**

**Filed on May 24, 2013**

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

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

**World Assurance Group, Inc. (09/12/2008 – present)**  
**Asset Realization, Inc. (11/8/2006 – 09/11/2008)**

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

#### Company Headquarters:

Address 1: 13 Classon House  
Address 2: Dundrum Business Park  
Address 3: Dundrum, Dublin 14  
Ireland  
Phone:  
Email: info@worldassurancegroup.com  
Website(s): www.worldassurancegroup.com

IR Contact Ticker Tape Consulting & Media  
Address 1: 1575 W Warm Springs Rd., #2724  
Address 2: Henderson, NV 89014  
Address 3:  
Phone:  
Email: wdas@tickertapemedia.com  
Website(s): www.tickertapemedia.com

### 3) Security Information

Trading Symbol: Pinksheets: WDAS

Exact title and class of securities outstanding:

#### Common Stock:

CUSIP: 98143F 10 8  
Par or Stated Value: \$0.001  
Total shares authorized: 5,000,000,000 as of: March 31, 2013  
Total shares outstanding: 267,526,018 as of: March 31, 2013

#### Preferred Stock:

Par or Stated Value: \$0.001  
Total shares authorized: 50,000,000 as of: March 31, 2013  
Total shares outstanding: Series A 3,269,000 as of: March 31, 2013  
Total shares outstanding: Series B 80 as of: March 31, 2013

#### Transfer Agent

Name: ClearTrust, LLC  
Address 1: 16540 Pointe Village Dr., # 206  
Address 2: Lutz, FL 33558  
Address 3:  
Phone: 813-235-4490  
Web: www.cleartrustonline.com

Is the Transfer Agent registered under the Exchange Act?\* **Yes**

\*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.**

#### **4) Issuance History**

Listed below are any events that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period.

**During the three months ended March 31, 2013, the Company issued a total of 201,000,000 shares of common stock. Of this amount, 100,000,000 shares of restricted common stock were issued to one of our board members, Mr. Austin, as part of a settlement agreement (See Financial Footnote 11: Related Party Transactions for more detail); 25,000,000 shares of restricted common stock were issued in exchange for services rendered; 66,000,000 shares of unrestricted common stock were issued for the conversion of 231,000 shares of Series A Convertible Preferred Stock, and the balance, or 10,000,000 shares of restricted common stock were issued to settle a total of \$24,000 in debt. In addition, in February of 2013 we issued 80 shares of Series B Convertible Preferred Stock pursuant to a definitive Contribution Agreement with Cellad, Inc. dated January 31, 2013 under which agreement we acquired, through our wholly owned subsidiary, World Acq, Inc., substantially all of the assets and liabilities of Cellad, Inc.**

**During the year ended December 31, 2012 and 2011, the Company had not issued any securities, because the Company's share issuance history begins as of February of 2013, when WDAS acquired substantially all of the assets and liabilities of Cellad in exchange for a total of 80 shares of WDAS's Series B Convertible Preferred Stock pursuant to a definitive Contribution Agreement dated January 31, 2013 by and among WDAS, a wholly owned subsidiary, and Cellad, Inc. (the "Contribution Agreement"). Although WDAS is the legal acquirer, for accounting purposes Cellad is the accounting acquirer and the transaction was accounted for as a reverse merger.**

**Each of the above securities offerings or transactions was made by officers and directors of the issuer and was not a registered offering. The offerings relied upon an exemption under Regulation S or Rule 4(2) of the Securities Act of 1933, as amended. The shares in these offerings or transactions were restricted (i.e., not freely tradable), where indicated above; and the certificates evidencing such shares contained a legend (1) stating that the shares have not been registered under the Securities Act of 1933, as amended, and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act of 1933, as amended.**

#### **5) Financial Statements**

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

**The Company's unaudited financial statements for its three months ended March 31, 2013 and 2012 are attached hereto and incorporated herein as part of the Company's Quarterly Company Information and Disclosure Statement and filed herewith at the end of this Report.**

The financial statements requested pursuant to this item was prepared in accordance with US GAAP by persons with sufficient financial skills.

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

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

A. a description of the issuer's business operations;

**World Assurance Group, Inc. is a holding company that currently operates through two wholly owned subsidiaries: CellAd Inc., a digital media company based in Ireland operating in the global mobile advertising industry and ANAV Holdings Corporation, a development stage real estate investment company in the United States. CellAd Inc. has developed, along with its partners, a revolutionary new cloud based advertising platform that allows advertisers and brands to deliver high definition, full screen adverts, coupons and click-through offers to subscribers via its smartphone application. Once installed, every time the subscriber receives an inbound call or text message CellAd will pay the subscriber a fee in the form of cash or other agreed medium.**

B. Date and State (or Jurisdiction) of Incorporation:

**The Company was originally incorporated on January 1, 2000 in the State of Colorado.**

**The Company was reorganized and incorporated on November 8, 2006 in the State of Nevada.**

C. the issuer's primary and secondary SIC Codes;

D. the issuer's fiscal year end date;

**December 31<sup>st</sup>**

E. principal products or services, and their markets;

**Digital Media; Global Mobile Advertising**

## **7) Describe the Issuer's Facilities**

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

**The Company leases office space for its headquarters and Cellad, Inc. operations on a month-to-month basis; its office is located at 13 Classon House, Dundrum Business Park, Dundrum, Dublin, 14 Ireland.**

**The Company currently owns two lots of development property, Lot 10 and Lot 17, in gated community in Canon City, Colorado. The gated community is known as Sunrise Mesa. The lots were originally purchased in 2010 as part of a larger transaction for the purchase of an upscale home and additional development lots at Sunrise Mesa by the issuance of a \$112,000 Convertible Promissory Note and 3,500,000 Series A convertible preferred shares. In 2011, the home and additional lots were vended out to Praetorian Investments, a non-controlling shareholder on foot of Praetorian assuming agreed liabilities for work undertaken on behalf of the Company that is was unable pay and also settling various liens against the property and paying past taxes and homeowners fees due on the property. The Company took a charge in the accounts during 2010 to reflect the loss in value of the assets acquired in 2009 as a result of the extremely difficult real estate markets at the time. The property is valued on the balance sheet at estimated market value at the date of the balance sheet and nay difference in value is booked as a revaluation of real property assets in the income statement for the respective period. The Company booked a loss of \$100,000 and \$62,500 for the 12 months ended December 31, 2012 and 2011 respectively to reflect the change in estimated market value. The Company owns the lots on their entirety and there is no security or lien registered against them, although there are outstanding unpaid association fees in the amount of \$1,262.50 due as of the date of the filing of this report.**

## 8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

**Chief Executive Officer and Director:** Sean McVeigh  
**Chief Financial Officer, Corp. Sec. and Director:** Vincent Browne  
**Director:** Andrew S. Austin

**5% or greater Common Shareholders (all of whom own less than 10%):**  
Mr. Steven Nicholls  
Ticker Tape Media (Controlled by Joe Cerbone)  
Ciao Bella Investments LLC (Controlled by Ashley Martinez)

**5% or greater Common Shareholders (owning more than 10%)**  
Andrew S. Austin

**5% or greater Series A Convertible Preferred Shareholders:**  
Creative Gaming Consultants (Controlled by Daniel D. Starczewski)  
Ciao Bella Investments LLC (Controlled by Ashley Martinez)  
Mr. Donal Lawless

**5% or greater Series B Convertible Preferred Shareholders:**  
Cellad, Inc.  
(50% of Cellad, Inc. is owned by Darjon Investments, Ltd., which is controlled by Vincent Browne, and the remaining 50% of Cellad is owned by Sean McVeigh.)

B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

**No**

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

**No**

**With the exception of Daniel D. Starczewski, individually and as President of Creative Gaming Consultants, as it relates to an order, judgment or decree issued from the Securities and Exchange Commission and subsequently settled.**

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

**No**

**With the exception of Daniel D. Starczewski, individually and as President of Creative Gaming Consultants, as it relates to a judgment which was settled and paid out.**

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

**No**

C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

**None**

## **9) Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

### Legal Counsel

Name:

Firm:

Address 1:

Address 2:

Phone:

Email:

### Accountant or Auditor

Name:

Firm:

Address 1:

Address 2:

Phone:

Email:

### Investor Relations Consultant

Name:

Firm:

Address 1:

Address 2:

Phone:

Email:

Ticker Tape Consulting & Media  
1575 W Warm Springs Rd, #2724  
Henderson, NV 89014

[info@tickertapemedia.com](mailto:info@tickertapemedia.com)

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name:

Tali Durant

Firm:

DART Business Services, LLC

Address 1:

16192 Coastal Highway

Address 2:

Lewes, DE 19958

Phone:

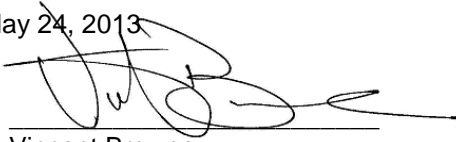
Email:

[tali@dart-services.com](mailto:tali@dart-services.com)

**10)** I, Vincent Browne, certify that:

1. I have reviewed this Initial Disclosure Statement of World Assurance Group, Inc.;
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.

May 24, 2013

  
\_\_\_\_\_  
Vincent Browne

Chief Financial Officer

I, Sean McVeigh, certify that:

1. I have reviewed this Initial Disclosure Statement of World Assurance Group, Inc.;
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.

May 24, 2013

/s/ Sean McVeigh

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Sean McVeigh

Chief Executive Officer



**WORLD ASSURANCE GROUP INC.**

**FINANCIAL STATEMENTS**

**AS OF AND FOR THE THREE MONTHS ENDED**

**MARCH 31, 2013 AND 2012**

**WORLD ASSURANCE GROUP INC.**

**(A Development-Stage Company)**

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**WORLD ASSURANCE GROUP INC.**  
**(A Development-Stage Company)**  
**CONSOLIDATED BALANCE SHEETS**  
**(Unaudited)**

	March 31, 2013	December 31, 2012
<b><u>ASSETS</u></b>		
<b>Current Assets</b>		
Total cash and cash equivalents	-	-
Trade receivables	-	-
Current assets	-	-
<b>Fixed Assets</b>		
Real Property - estimated market value	20,000	20,000
IP Assets	1,500,000	1,500,000
Total fixed assets	1,520,000	1,520,000
<b>Total Assets</b>	<b>\$1,520,000</b>	<b>\$1,520,000</b>
<b><u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u></b>		
<b>Payables within 1 year</b>		
Accounts payable and accrued liabilities	44,201	25,000
Accrued interest payable	-	-
Convertible notes payable	112,000	112,000
<b>Total Liabilities</b>	156,201	137,000
<b>Stockholders' Equity</b>		
Series A preferred shares, \$.001 par value; 50,000,000 shares authorized; 3,269,000 shares and 3,500,000 shares issued and outstanding as of March 31, 2013 and December 31, 2012 respectively.	3,269,000	3,500,000
Series B preferred shares, \$.001 par value; 80 shares authorized; 80 shares issued and outstanding as of March 31, 2013 and December 31, 2012.	80	80
Common stock, \$.001 par value; 5,000,000,000 shares authorized, 267,526,018 and 101,526,018 shares issued and outstanding, as of March 31, 2013 and December 31, 2012, respectively.	267,526	101,526
Additional paid in capital	(2,127,606)	(2,217,606)
Accumulated deficit	(45,201)	(1,000)
<b>Total Shareholders' Equity</b>	1,363,799	1,383,000
<b>Total Liabilities and Stockholders' Deficit</b>	<b>\$1,520,000</b>	<b>\$1,520,000</b>

See accompanying notes to the financial statements

**WORLD ASSURANCE GROUP INC.**  
**(A Development-Stage Company)**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**

	Three Months Ended	
	March 31, 2013	March 31, 2012
<b>Revenues</b>	\$ -	\$ -
<b>Operating expenses</b>		
Sales and general administrative	44,201	-
Earnings before tax, depreciation and amortization (EBITDA)	(44,201)	-
Interest expense	-	-
<b>Operating Income (Loss)</b>	(44,201)	-
<b>Net profit (loss)</b>	\$ (44,201)	\$ -
<b>Net profit (loss) attributable to common stockholders</b>	\$ (44,201)	\$ -
<b>Net loss per share - basic and diluted</b>	\$ (0.00)	\$ -
<b>Weighted average shares outstanding:</b>		
Basic and diluted	148,092,490	38,526,006

See accompanying notes to the financial statements.

**WORLD ASSURANCE GROUP INC.**  
**(A Development-Stage Company)**  
**CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT) AND OTHER COMPREHENSIVE LOSS**  
**(Unaudited)**

	Preferred Shares		Common stock issued		Additional paid-in Capital	Accumulated Deficit	Total
	Total Shares	Total Amount	Shares	Amount			
<b>Balance at December 31, 2012</b>	<b>80</b>	<b>\$80</b>	<b>-</b>	<b>\$ -</b>	<b>\$673,238</b>	<b>\$(1,000)</b>	<b>\$672,318</b>
Acquisition of World Assurance Group	3,500,000	3,500,000	101,526,018	\$101,526	(2,890,844)		710,682
Shares issued to officer for services			100,000,000	\$100,000	(75,000)		25,000
Conversion of Series A Preferred Shares into common	(231,000)	(231,000)	66,000,000	\$ 66,000	165,000		-
Net operating loss for the period						(44,201)	(44,201)
<b>Balance at March 31, 2013</b>	<b>3,269,080</b>	<b>\$3,269,080</b>	<b>267,526,018</b>	<b>\$267,526</b>	<b>\$(2,127,606)</b>	<b>\$(45,201)</b>	<b>\$1,363,799</b>

See accompanying notes to financial statements.

**WORLD ASSURANCE GROUP INC.**  
**(A Development-Stage Company)**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**(Unaudited)**

	<b>For the Three Months Ended</b>	
	<b>March 31, 2013</b>	<b>March 31, 2012</b>
<b>Cash Flows from Operating Activities:</b>		
Net loss for the period	\$ (44,201)	\$ -
<i>Adjustments to reconcile net loss to net cash used in operations</i>		
Revaluation of ongoing property assets	-	-
Stock issued for services	-	-
<i>Changes in assets and liabilities, net of acquisition and disposals:</i>		
Prepaid expenses	-	-
Accounts payable & accrued liabilities	44,201	-
Accrued interest	-	-
<b>Net cash generated from operating activities</b>	<b>-</b>	<b>-</b>
<b>Cash Flows From Financing Activities:</b>		
Proceeds from sale of convrtible debt	-	-
Proceeds from sale of common stock	-	-
Payments on convertible notes payable	-	-
Payments on notes payable	-	-
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents, beginning of the period	-	-
<b>Cash and cash equivalents, end of the period</b>	<b>-</b>	<b>-</b>
<b>SUPPLEMENTAL CASH FLOW DISCLOSURE:</b>		
Cash paid for interest	\$ -	\$ -
Cash paid for taxes	\$ -	\$ -
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:</b>		
Common stock issued for settlement of payables	\$ 49,000	\$ -
Common stock issued on conversion of debt	\$ -	\$ -
<b>Acquisition of WDAS</b>		
Hard Property Assets	\$ 20,000	\$ -
Goodwill	\$ 826,682	\$ -
Accounts payable and Accrued Liabilities	\$ (24,000)	\$ -
Convertible notes payable, third party - net of discount	\$ (112,000)	\$ -
	<b>\$ 710,682</b>	<b>\$ -</b>

See accompanying notes to financial statements

**WORLD ASSURANCE GROUP INC.**  
**(A Development-Stage Company)**  
**Notes to Financial Statements**  
**(Unaudited)**

**1. Organization and Formation**

World Assurance Group, Inc. (formerly Asset Realization, Inc.) (“We” or the “Company”) was incorporated in the State of Colorado on January 1, 2000, then reorganized as a Nevada corporation on November 8, 2006. On September 11, 2008 the corporation changed its name from Asset Realization, Inc. to World Assurance Group, Inc. On November 16, 2006, A Alpha Bail Bonds LLC, a limited liability company organized in the State of Colorado on August 11, 2005, was acquired by World Assurance Group, Inc. in a transaction classified as a reverse acquisition. On October 1, 2009, ANAV Holdings Company acquired World Assurance Group Inc. for an exchange of 2,000,000 shares of the combination of World Assurance Group, Inc. and ANAV Holdings Company. The assets and liabilities of the bail bonds company were then purchased by management of the bail bonds company, the principal selling shareholders of WDAS, and spun out as a privately held company. ANAV Holdings Company is a wholly- owned subsidiary of WDAS.

Effective February 1, 2013, WDAS acquired through its wholly owned subsidiary, World Acq, Inc., substantially all of the assets and liabilities of Cellad, Inc. in exchange for a total of 80 shares of WDAS’s Series B Convertible Preferred Stock pursuant to a definitive Contribution Agreement dated January 31, 2013 by and among WDAS, World Acq., Inc. and Cellad Inc. Although WDAS is the legal acquirer, for accounting purposes Cellad Inc. is the accounting acquirer.

The Company has elected a calendar accounting period beginning on January 1 and ending on December 31 of each year.

**2. Basis of Presentation**

The accompanying financial statements have been prepared by us, without audit and in accordance with US GAAP. The balance sheet of World Assurance Group, Inc has been prepared on the accrual basis of accounting. Under this method, certain revenues are recognized when earned and certain expenses and purchases of assets are recognized when the obligation is incurred.

*Use of Estimates*

The preparation of financial statements in conformity with GAAP 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Development-Stage Company*

The Company is considered a development-stage company in accordance with Accounting Standards Codification (“ASC”) 915 “Development-Stage Entities.” Management expects to sustain losses from operations until such time it can generate revenues sufficient to meet its anticipated cost structure. Upon distribution of the Company’s products, it will exit the development stage. The nature of our operations is highly speculative, and there is consequently a risk of loss of your investment. The success of our plan of operation will depend to a great extent on the operations, financial condition, and management of the Company.

*Basis of Consolidation*

The consolidated financial statements include 100% of the assets, liabilities, revenues, expenses and cash flows of World Assurance Group Inc and its wholly owned subsidiary ANAV Holdings Company. All intercompany accounts and transactions have been eliminated in consolidation. The results of subsidiaries acquired or disposed of during the respective periods are included in the consolidated statements of operations from the effective date of acquisition or up to the effective date of disposal, as appropriate.

*Property and equipment*

Property and equipment are recorded at cost and depreciated under straight-line methods over each item's estimated useful life, generally seven years for furniture and fixtures and five years for office equipment.

### **3. Going Concern**

The financial statements at March 31, 2013 have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of our business. As reflected in the accompanying financial statements, we had a net loss of \$44,201 and \$0 for the three months ended March 31, 2013 and 2012, respectively; accumulated stockholder's surplus of \$1,363,799 and a working capital deficit of \$156,201 as of March 31, 2013. Also, as of March 31, 2013, we had very limited liquid and capital resources. We are currently highly dependent upon obtaining sufficient short and long term financing in order to continue running operations and there can be no guarantee that such financing will become available.

THE FOREGOING FACTORS RAISE SUBSTANTIAL DOUBT ABOUT OUR ABILITY TO CONTINUE AS A GOING CONCERN. ULTIMATELY, OUR ABILITY TO CONTINUE AS A GOING CONCERN IS DEPENDENT UPON OUR ABILITY TO ATTRACT NEW SOURCES OF CAPITAL, TO ATTAIN A REASONABLE THRESHOLD OF OPERATING EFFICIENCY AND ACHIEVE SUSTAINABLE PROFITABLE OPERATIONS. THIS CANNOT BE GUARANTEED GIVEN THE CURRENT LACK OF OPERATING CAPITAL. THE FINANCIAL STATEMENTS DO NOT INCLUDE ANY ADJUSTMENTS THAT MIGHT BE NECESSARY IF WE ARE UNABLE TO CONTINUE AS A GOING CONCERN.

GIVEN OUR LACK OF OPERATING CAPITAL AND CURRENT INABILITY TO ISSUE ADDITIONAL SHARES, NO GUARANTEE CAN BE GIVEN THAT WE WILL REACH ANY SUCCESSFUL CONCLUSION WITH OUR DEBT HOLDERS.

### **4. Acquisition of Cellad, Inc.**

Effective February 1, 2013, WDAS acquired, through its wholly owned subsidiary, World Acq, Inc., substantially all of the assets and liabilities of Cellad, Inc. in exchange for a total of 80 shares of WDAS's Series B Convertible Preferred Stock (the "Shares") pursuant to a definitive Contribution Agreement dated January 31, 2013 by and among WDAS, World Acq, Inc. and Cellad Inc. (the "Contribution Agreement"). Although WDAS is the legal acquirer, for accounting purposes Cellad Inc. is the accounting acquirer.

The Series B Convertible Preferred Shares held by Cellad, Inc convert into a total of 80% of the total issued and outstanding common shares at the time of conversion. The Series B Convertible Preferred Shares vote on an as-converted basis with the common stock. Cellad, Inc. is therefore an 80% beneficial shareholder of WDAS. 50% of Cellad, Inc. is owned by Darjon Investments, Ltd., which is owned by Vincent Browne, and the remaining 50% of Cellad Inc. is owned by Sean McVeigh.

Cellad Inc. is a mobile digital media company formed in Ireland in 2011 and operating in the global 'mobile advertising' industry. Cellad has developed, along with its partners, a revolutionary new cloud based advertising platform that allows advertisers and brands to deliver high definition, full screen adverts, coupons and click-through offers to our subscribers every time the subscriber receives an inbound call or text message on their android smartphone. Advertisers can directly manage content, and campaigns to chosen demographic and geographic audiences using advances in location based technologies and smartphone applications. Cellad Inc. pays a fee – in cash or points – directly to subscribers for every advert displayed on their smartphone once they have registered and downloaded the subscriber application.

Additionally, as part of this transaction, the Series A Convertible Preferred Shares accepted revised terms and conditions to their preferred stock, such that a portion of the Shares of Series A Convertible Preferred, equal to three percent (3%) of the Company's issued and outstanding common stock at the time of conversion, shall automatically convert into Common Stock commencing February 15, 2013, and automatic conversions shall continue to occur once every 30 days thereafter at the Conversion Price. The Conversion Price is Forty Percent (40%) of the Volume Weighted Average Price of the four trading days prior to the date of conversion or \$0.0035 per share of Common Stock, whichever is the lower (the "Conversion Price"). However, the Conversion Price shall never be below \$0.00175 per share of Common Stock. Additionally, the Company shall have the right, at its sole option and discretion at any time, to convert additional Shares of Series A Convertible Preferred up to an amount not to exceed a Holder's beneficial ownership limitation of 9.99% of the total issued and outstanding shares of the common stock at the time of conversion. Additionally, the Series A Preferred Shares votes one for one with the common stock.

The issuer issued all of the preferred shares listed above upon the exemption of the registration requirements of the Securities Act of 1933, as amended, afforded the Company under Section 4(2) promulgated thereunder due to the fact that the issuance did not involve a public offering of securities. Each of the stock certificates issued hereunder contained a legend stating that the shares have not been registered under the Securities Act and set forth or refer to the restrictions on transferability and sale of the shares under the Securities Act.



## 5. Fixed Assets / Real Property

As of March 31, 2013 the Company had \$1,500,000 in IP Assets as a result of the acquisition of Cellad Inc. in February 2013. The initial valuation has not been carried out by an expert external source and is based on management's expectation of the future revenues that may be generated from the technology and business processes acquired with Cellad Inc. At December 31, 2012 the Company had no Fixed Assets.

The Company currently owns two lots of development property, Lot 10 and Lot 17, in gated community in Canon City, Colorado. The gated community is known as Sunrise Mesa. The lots were originally purchased in 2010 as part of a larger transaction for the purchase of an upscale home and additional development lots at Sunrise Mesa by the issuance of a \$112,000 Convertible Promissory Note and 3,500,000 Series A convertible preferred shares. In 2011, the home and additional lots were vended out to Praetorian Investments, a non-controlling shareholder on foot of Praetorian assuming agreed liabilities for work undertaken on behalf of the Company that is unable pay, and also settling various liens against the property and paying past taxes and homeowners fees due on the property. The Company took a charge in the accounts during 2010 to reflect the loss in value of the assets acquired in 2009 as a result of the extremely difficult real estate markets at the time. The property is valued on the balance sheet at estimated market value at the date of the balance sheet and any difference in value is booked as a revaluation of real property assets in the income statement for the respective period.

The Company owns the lots on their entirety and there is no security or lien registered against them.

## 6. Accounts Payable

Accounts payable at March 31, 2013 were \$44,201. 5 vendors accounted for 100% of the payables at March 31, 2013.

Accounts payable at December 31, 2012 were \$49,000. Two vendors accounted for 100% of the payables at December 31, 2012, the largest of which, our previous Chief Executive Officer and current Director Mr. Andrew Austin accounts for 51% of the payables. Subsequently these amounts were settled in exchange for the issuance of 110,000,000 shares of Common Stock in February 2013.

Although we believe that we have adequate alternative vendors to purchase services and products, there can be no assurance of comparability, which could have a detrimental effect on the business.

## 7. Convertible Promissory Notes

On September 19, 2009, Creative Gaming Consultants, Inc ('Creative') was issued a debenture by the Company in the amount of \$250,887 at 16% annual interest and a \$75,000 convertible loan note on foot of signing binding agreements for the acquisition of certain property located at 71 Sunrise Mesa Drive, Canon City, Colorado, 81212. On completion of the property acquisition in July 2010, Creative and the Company agreed to amend the debenture and the loan note into one convertible loan note with principal of \$112,000 accruing no interest and the issuance of 3,500,000 Series A convertible preferred shares. (See Section 8 for more details).

The amended note is convertible, at anytime at the request of the holder, into fully paid and non assessable common shares of the Company. The number of shares into which the Note can be voluntarily converted shall be determined by dividing the aggregate principal amount by the conversion price, where the conversion price is equal to 40% of the average bid price for the preceding four business days of the Company's common stock trading on the Pink Sheet market or any greater discount to be determined by the Board of Directors of the Company in its sole discretion. The note is still outstanding at March 31, 2013. Notwithstanding, the note holder cannot convert and beneficially hold greater than 9.99% of the total issued and outstanding common stock of the Company at any one point in time.

### Debt Schedule:

As of March 31, 2013 and December 31, 2012, we had (taking into consideration the calculation of debt discounts) \$112,000 of total principal owed under convertible promissory notes.

The following table sets forth the summary schedule of the cash payments required to be made by us, broken down by the type of loan:

	<b>Total</b>	<b>Current</b>	<b>Long Term 1-3 years</b>
Convertible notes payable, third party - net of discount	112,000	112,000	-
Total	112,000	112,000	-

## **8. Commitments and Contingencies**

In April, 2013, the Company entered into two agreements with World Global Network pte (WGN) to establish a joint venture company that will house all of the Intellectual Property, source code and trademarks for the mobile advertising technology platforms and smartphone applications relating to Adkash.com. Cellad will own 30% of the joint venture company with WGN owning the other 70%. Cellad is entitled to 30% of any dividends declared by that joint venture and/or any proceeds from the sales of the joint venture to a third party. The parties are currently in the process of formalizing the joint venture company. The Joint venture will receive a license fee based on a share of the revenues generated from advertising fees charged to third parties for adverts displayed on the technology by either party.

In addition to the above, the parties agreed an exclusive sales agreement whereby Cellad will be the exclusive provider of advertising and content for the Adkash application and platform and will charge WGN for adverts displayed by Adkash under Cellad's standard terms of business.

### ***Litigation***

The Company is not currently involved in any litigation that it believes could have a material adverse effect on its financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self-regulatory organization or body pending or, to the knowledge of the executive officers of the Company or any of its subsidiaries, threatened against or affecting the Company, our common stock, any of our subsidiaries or of our companies or our subsidiaries' officers or directors in their capacities as such, in which an adverse decision could have a material adverse effect.

## **9. Stockholder's Equity**

### **Common Stock:**

As of March 31, 2013 and December 31, 2012, respectively, 5,000,000,000 and 300,000,000 total shares of common stock, par value \$0.001 per share, were authorized, and 267,526,018 and 101,526,018 were issued and outstanding. There are no special voting or economic rights or privileges.

During the three months ended March 31, 2013, the Company issued a total of 201,000,000 shares of common stock. Of this amount, 100,000,000 shares of restricted common stock were issued to one of our board members, Mr. Austin, as part of a settlement agreement (See Financial Footnote 11: Related Party Transactions for more detail); 25,000,000 shares of restricted common stock were issued in exchange for services rendered; 66,000,000 shares of unrestricted common stock were issued for the conversion of 231,000 shares of Series A Convertible Preferred Stock, and the balance, or 10,000,000 shares of restricted common stock were issued to settle a total of \$24,000 in debt. In addition, in February of 2013 we issued 80 shares of Series B Convertible Preferred Stock pursuant to a definitive Contribution Agreement with Cellad, Inc. dated January 31, 2013 under which agreement we acquired, through our wholly owned subsidiary, World Acq, Inc., substantially all of the assets and liabilities of Cellad, Inc

### **Preferred Stock:**

As of March 31, 2013 and December 31, 2012, respectively, 50,000,000 total shares of preferred stock, par value \$0.001, were authorized, and 3,269,000 and 3,500,000 shares of Series A Convertible Preferred Stock were issued and outstanding, and 80 and 80 shares of Series B Convertible Preferred Stock were issued and outstanding.

#### **Series A Convertible Preferred Stock ("Series A Preferred"):**

In July of 2010, the Company authorized and issued 3,500,000 shares of Series A Preferred. On February 1, 2013 the Series A Preferred were amended and restated. The Series A Preferred, as amended as restated, have a \$0.001 par value per share and are not entitled to any dividends. The Series A Preferred are not redeemable. A portion of the Series A Preferred, equal to three percent (3%) of the Company's issued and outstanding common stock at the time of conversion, shall automatically convert into Common Stock commencing February 15, 2013, and automatic conversions shall continue once every 30 days thereafter at the Conversion Price of forty percent (40%) of the VWAP of the common stock over the previous four trading days or \$0.0035 per share of Common Stock, whichever is the lower. Notwithstanding the above, the Conversion Price shall never be below \$0.00175 per share of Common Stock. Notwithstanding the above, the Series A Preferred may not be converted and the Series A Preferred holders may never beneficially hold more than 9.99% of the total issued and outstanding common stock at any one point in time.

#### **Series B Convertible Preferred Stock ("Series B Preferred"):**

On February 1, 2013 the Company authorized and issued 80 shares of Series B Preferred with \$0.001 par value. The Series B Preferred convert into a total of 80% of the total issued and outstanding common shares at the time of conversion. The Series B Preferred vote on an as-converted basis with the common stock.

**Warrants:**

As at March 31, 2013 and December 31, 2012 respectively, the Company had no outstanding warrants of active stock plans allowing employees or other individuals or groups to purchase common shares.

**10. Earnings (Loss) Per Share**

We report Basic and Diluted Earnings per Share (EPS) as follows: Basic EPS is computed as net income (loss) divided by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that could occur from common shares issuable through stock options, warrants and other convertible securities. Common equivalent shares are excluded from the computation of net loss per share if their effect is anti-dilutive.

Since we incurred a net loss for the three months ended March 31, 2013, 1,028,282,828 potential shares were excluded from the shares used to calculate diluted EPS as their effect is anti-dilutive.

**11. Related Party Transactions**

WDAS and Mr. Austin, one of our board members, entered into a settlement agreement effective February 1, 2013 whereby, in exchange for \$25,000 of total accrued but unpaid fees, WDAS agreed to issue to Mr. Austin 100,000,000 shares of WDAS's restricted common stock and Mr. Austin agreed to continue serving as a member of WDAS's Board of Directors for a period of at least one year or until the election of his successor and upon acceptance of election by such successor, for a total salary of \$1.00 (One Dollar) per year.

**12. Management and Board of Directors Changes**

Effective February 1, 2013, Jehu T Hand resigned as Corporate Secretary and as a director from the Board of Directors of World Assurance Group, Inc. ("WDAS"). On the same date, Andrew S. Austin resigned as President and Chief Executive Officer of WDAS.

Also effective February 1, 2013, Sean McVeigh was appointed as Chief Executive Officer and elected as a Director of WDAS. On the same date, Vincent Browne was appointed as Chief Financial Officer and Corporate Secretary of WDAS and elected as a Director of WDAS.

On November 12, 2012, Mr. Andrew S. Austin was elected President & CEO and appointed to the Board of Directors. Also on November 12, 2012 Mr. Perruso was removed from the Board of Directors through written consent of the holders of a majority of our issued and outstanding voting securities.

**13. Subsequent Events.**

In accordance with ASC 855, Subsequent Events, we have evaluated subsequent events through May 24, 2013, the date of available issuance of these audited financial statements. During this period, we did not have any material recognizable subsequent events.