

EVERTON CAPITAL CORP  
Form 10-Q  
July 14, 2009

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

FORM 10-Q

QUARTERLY REPORT UNDER TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE QUARTERLY PERIOD ENDED MAY 31, 2009

OR

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

Commission file number 000-53511

EVERTON CAPITAL CORPORATION  
(Exact name of registrant as specified in its charter)

NEVADA  
(State or other jurisdiction of incorporation or organization)

603, Unit 3, DongFeng South Road, NaShiLiJu 34,  
ChaoYang District, Beijing, China 100016  
Address of principal executive offices, including zip code.)

01 391 146 5973 (PRC)  
(631) 458-0540 (USA)  
(Registrant's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the last 90 days.

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," "non-accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES  NO

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 5,501,000 as of July 13, 2009

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EVERTON CAPITAL CORPORATION  
 (An Exploration Stage Company)  
 BALANCE SHEETS  
 (Unaudited)

	As of May 31, 2009	As of August 31, 2008
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash & cash equivalents	\$ -	\$ 27,180
Prepaid Expenses	-	7,500
<b>Total current assets</b>	<b>-</b>	<b>34,680</b>
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 34,680</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable & accrued liabilities	\$ -	\$ 9,530
Related party loan	-	43,194
<b>Total current liabilities</b>	<b>-</b>	<b>52,724</b>
<b>COMMITMENT</b>	<b>-</b>	<b>-</b>
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, \$.00001 par value; 100,000,000 shares authorized; none issued and outstanding	-	-
Common stock, \$.00001 par value; 100,000,000 shares authorized; 5,501,000 shares issued and outstanding	55	55
Additional paid in capital	105,111	51,595
Deficit accumulated during the pre-exploration stage	(105,166)	(69,694)
<b>Total stockholders' equity (deficit)</b>	<b>-</b>	<b>(18,044)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 34,680</b>

See accompanying notes to financial statements

EVERTON CAPITAL CORPORATION  
 (An Exploration Stage Company)  
 STATEMENTS OF EXPENSES  
 (Unaudited)

	For the three month periods ended		For the nine month periods ended		Period from May 10, 2006
	May 31,	2008	May 31,	2008	(inception) through
	2009		2009		May 31,
					2009
<b>Expenses</b>					
General and administrative expenses	\$ 11,610	\$ 6,859	\$ 35,342	\$ 42,074	\$ 100,124
Interest expense	-	641	130	4,912	5,042
Operating loss	(11,610)	(7,500)	(35,472)	(46,986)	(105,166)
Net loss	\$ (11,610)	\$ (7,500)	\$ (35,472)	\$ (46,986)	\$ (105,166)
Weighted average number of shares outstanding	5,501,000	5,026,087	5,501,000	5,008,759	N/A
Basic and diluted net loss per share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)	N/A

See accompanying notes to financial statements

EVERTON CAPITAL CORPORATION  
(An Exploration Stage Company)  
STATEMENTS OF CASH FLOWS  
(Unaudited)

Period from May 10, 2006  
For the nine month periods ended (inception) through  
May 31, May 31,  
2009 2008 2009

CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss for the period	\$ (35,472)	\$ (46,986)	\$ (105,166)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of deferred offering costs	-	12,500	12,500
Imputed consulting expense	1,750	2,250	8,750
Imputed rent expense	-	2,250	7,000
Imputed interest	-	4,912	4,912
Changes in			
Prepaid Expenses	7,500	-	-
Accounts payable and accrued liabilities	(1418)	9,507	(9,300)
Net cash used in operating activities	(27,640)	(15,567)	(81,304)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of common stock	-	10,000	50,150
Payment of deferred offering costs	-	-	(12,500)
Increase in related party loan	460	15,482	43,654
Net cash provided by financing activities	460	25,482	81,304
(DECREASE) INCREASE IN CASH & CASH EQUIVALENTS			
	(27,180)	9,915	-
CASH & CASH EQUIVALENTS, BEGINNING OF PERIOD			
	27,180	58	-
CASH & CASH EQUIVALENTS, END OF PERIOD			
	\$ -	\$ 9,973	\$ -
Supplemental Cash flow data:			
Income tax paid	\$ -	\$ -	\$ -
Interest paid	\$ -	\$ -	\$ -
Non-cash investing and financing activities:			
Contribution by former officer	\$ 1,750	\$ 4,500	\$ 15,750
Liabilities assumed by former officer	\$ 51,766	\$ -	\$ 51,766

See accompanying notes to financial statements



EVERTON CAPITAL CORPORATION  
 (An Exploration Stage Company)  
 STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)  
 Period from May 10, 2006 (Inception) to May 31, 2009  
 (Unaudited)

	Common Shares Number	Par Value	Additional Paid-in Capital	Deficit Accumulated During the Exploration Stage	Total
Common stock issued for cash	5,000,000	\$ 50	\$ -	\$ -	\$ 50
Contribution by officer	-	-	2,000	-	2,000
Net loss for the period	-	-	-	(9,373)	(9,373)
Balance, as at August 31, 2006	5,000,000	50	2,000	(9,373)	(7,323)
Contribution by officer	-	-	6,000	-	6,000
Net loss for the period	-	-	-	(15,773)	(15,773)
Balance, as at August 31, 2007	5,000,000	50	8,000	(25,146)	(17,096)
Common stock issued for cash	501,000	5	50,095	-	50,100
Contribution by officer	-	-	6,000	-	6,000
Deferred Offering Costs	-	-	(12,500)	-	(12,500)
Net loss for the period	-	-	-	(44,548)	(44,548)
Balance, as at August 31, 2008	5,501,000	55	51,595	(69,694)	(18,044)
Contribution by former officer	-	-	1,750	-	1,750
Liabilities assumed by former officer	-	-	51,766	-	51,766
Net loss for the period	-	-	-	(35,472)	(35,472)
Balance, as at May 31, 2009	5,501,000	\$ 55	\$ 105,111	\$ (105,166)	\$ -

See accompanying notes to financial statements



EVERTON CAPITAL CORPORATION  
(A Pre-exploration Stage Company)  
NOTES TO THE FINANCIAL STATEMENTS  
May 31, 2009  
(Unaudited)

NOTE 1 – ORGANIZATION

Everton Capital Corporation (“Everton” or “Company”) was incorporated in Nevada on May 10, 2006 and is in the exploration stage. Everton acquired a mineral property in British Columbia and has recently determined that this property contains reserves that are not economically recoverable. The recoverability of amounts from the property will be dependent upon the discovery of economically recoverable reserves, confirmation of Everton’s interest in the underlying property, the ability of Everton to obtain necessary financing to satisfy the expenditure requirements under the property agreement and to complete the development of the property and upon future profitable production or proceeds for the sale thereof. The Company was advised by Madman Mining, its consultant, that "Due to the shattered nature of the jade/nephrite material present (due to previous blasting), and the numerous amount of inclusions (of talc) within the matrix of the jade itself, it is recommended that no further exploration be conducted on this project and that the project should be dropped." The Company’s management is evaluating options, including looking for new business opportunities, which may include a change of control of the Company.

Pursuant to a Majority Stock Purchase Agreement (MSPA) dated April 23, 2009, the Company’s former majority stockholder and officer sold to an individual 5,000,000 shares of the Company’s common stock, for \$25,000; former majority stockholder agreed to assume and be liable for any and all liabilities and obligations of Everton that were occurred prior to closing of the stock purchase. Pursuant to the terms of the MSPA and effective as of the closing of the transactions contemplated by the MSPA, the new shareholder owns 5,000,000 shares of the Company’s common stock out of a total of 5,501,000 shares issued and outstanding, or 90.89%.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited interim financial statements of Everton have been prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) and the rules of the Securities and Exchange Commission, and should be read in conjunction with Everton’s audited 2008 annual financial statements and notes thereto. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of financial position and the results of operations for the interim periods presented have been reflected herein. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements, which would substantially duplicate the disclosure required in Everton’s 2008 annual financial statements have been omitted.

Use of Estimates

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

New Accounting Pronouncements

The FASB Accounting Standards Codifications

In June 2009, the FASB issued SFAS No. 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting. SFAS 168 represents the last numbered standard to be issued by FASB under the old (pre-Codification) numbering system, and amends the GAAP hierarchy. On July 1, FASB will launch new FASB's Codification (full name: the FASB Accounting Standards Codification TM.) The Codification will supersede existing GAAP for nongovernmental entities; governmental entities will continue to follow standards issued by FASB's sister organization, the Governmental Accounting Standards Board (GASB). This pronouncement has no effect on Company's financial statements.

EVERTON CAPITAL CORPORATION  
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(Unaudited)

#### Consolidation of Variable Interest Entities

In June 2009, the FASB issued SFAS No. 167, a revision to FASB Interpretation No. 46(R), Consolidation of Variable Interest Entities, and will change how a company determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated. Under SFAS No. 167, determining whether a company is required to consolidate an entity will be based on, among other things, an entity's purpose and design and a company's ability to direct the activities of the entity that most significantly impact the entity's economic performance. SFAS 167 is effective at the start of a company's first fiscal year beginning after November 15, 2009, or January 1, 2010 for companies reporting earnings on a calendar-year basis.

#### Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities

In June 2009, the FASB issued SFAS No. 166, a revision to SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, and will require more information about transferred of financial assets and where companies have continuing exposure to the risks related to transferred financial assets. SFAS 166 is effective at the start of a company's first fiscal year beginning after November 15, 2009, or January 1, 2010 for companies reporting earnings on a calendar-year basis.

#### Subsequent Events

In May 2009, the FASB issued SFAS No. 165, "Subsequent Events" ("SFAS 165"). SFAS 165 is intended to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. It requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for selecting that date, that is, whether that date represents the date the financial statements were issued or were available to be issued. SFAS 165 is effective for interim or annual financial periods ending after June 15, 2009.

#### Not-for-Profit Entities: Mergers and Acquisitions

In April 2009, the FASB issued SFAS No. 164, "Not-for-Profit Entities: Mergers and Acquisitions". SFAS No. 164 provides guidance on accounting for a combination of not-for-profit entities, which is a transaction or other event that results in a not-for-profit entity initially recognizing another not-for-profit entity, a business, or a non-profit activity in its financial statements. It is effective for financial statements issued for fiscal years beginning after December 15, 2009.

#### The Hierarchy of Generally Accepted Accounting Principles

In May 2008, the FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles." This Statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with US GAAP.

#### Determination of the Useful Life of Intangible Assets

In April 2008, the FASB issued FASB Staff Position FAS 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP FAS 142-3"). FSP FAS 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142"), and requires additional disclosures. The objective of FSP FAS 142-3 is to improve the consistency between the useful life of a recognized intangible asset under SFAS 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS No. 141 (R), "Business Combinations" ("SFAS 141(R)"), and other accounting principles generally accepted in the USA. FSP FAS 142-3 applies to all intangible assets, whether acquired in a business combination or otherwise and shall be effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. The guidance for determining the useful life of intangible assets shall be applied prospectively to intangible assets acquired after the effective date. The disclosure requirements apply prospectively to all intangible assets recognized as of, and subsequent to, the effective date. Early adoption is prohibited.

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May 31, 2009  
(Unaudited)

Disclosures about Derivative Instruments and Hedging Activities

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities an amendment of FASB Statement No. 133." This Statement changes the disclosure requirements for derivative instruments and hedging activities. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. SFAS 161 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after November 15, 2008.

Non-controlling Interests in Consolidated Financial Statements – An Amendment of ARB No. 51.

In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements - An Amendment of ARB No. 51 ("SFAS 160"). SFAS 160 establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. Specifically, this statement requires the recognition of a noncontrolling interest (minority interest) as equity in the consolidated financial statements and separate from the parent's equity. The amount of net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement. SFAS 160 clarifies that changes in a parent's ownership interest in a subsidiary that do not result in deconsolidation are equity transactions if the parent retains its controlling financial interest. In addition, this statement requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated. Such gain or loss will be measured using the fair value of the noncontrolling equity investment on the deconsolidation date. SFAS 160 also includes expanded disclosure requirements regarding the interests of the parent and its noncontrolling interest. SFAS 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008.

Business Combinations

SFAS 141 (Revised 2007), Business Combinations (SFAS 141(R)), is effective for the Company for business combinations for which the acquisition date is on or after January 1, 2009. SFAS 141(R) changes how the acquisition method is applied in accordance with SFAS 141. The primary revisions to this Statement require an acquirer in a business combination to measure assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, at their fair values as of that date, with limited exceptions specified in the Statement. This Statement also requires the acquirer in a business combination achieved in stages to recognize the identifiable assets and liabilities, as well as the noncontrolling interest in the acquiree, at the full amounts of their fair values (or other amounts determined in accordance with the Statement). Assets acquired and liabilities assumed arising from contractual contingencies as of the acquisition date are to be measured at their acquisition-date fair values, and assets or liabilities arising from all other contingencies as of the acquisition date are to be measured at their acquisition-date fair value, only if it is more likely than not that they meet the definition of an asset or a liability in FASB Concepts Statement No. 6, Elements of Financial Statements. This Statement significantly amends other Statements and authoritative guidance, including FASB Interpretation No. 4, Applicability of FASB Statement No. 2 to Business Combinations Accounted for by the Purchase Method, and now requires the capitalization of research and development assets acquired in a business combination at their acquisition-date fair values, separately from goodwill. FASB Statement No. 109, Accounting for Income Taxes, was also amended by this Statement to require the acquirer

to recognize changes in the amount of its deferred tax benefits that are recognizable because of a business combination either in income from continuing operations in the period of the combination or directly in contributed capital, depending on the circumstances.

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EVERTON CAPITAL CORPORATION  
(A Pre-exploration Stage Company)  
NOTES TO THE FINANCIAL STATEMENTS  
May 31, 2009  
(Unaudited)

Accounting for Nonrefundable Advance Payments for Goods or Services Received for use in Future Research and Development Activities

In June 2007, the FASB issued FASB Staff Position No. EITF 07-3, "Accounting for Nonrefundable Advance Payments for Goods or Services Received for use in Future Research and Development Activities" ("FSP EITF 07-3"), which addresses whether nonrefundable advance payments for goods or services that used or rendered for research and development activities should be expensed when the advance payment is made or when the research and development activity has been performed. EITF 07-03 is effective for fiscal years beginning on or after December 15, 2008.

NOTE 3 - GOING CONCERN

These financial statements have been prepared on a going concern basis, which implies Everton will continue to meet its obligations and continue its operations for the next fiscal year. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should Everton be unable to continue as a going concern. As of May 31, 2009, Everton has not generated revenues and has accumulated losses since inception. The continuation of Everton as a going concern is dependent upon the continued financial support from its shareholders, the ability of Everton to obtain necessary equity financing to continue operations, and the attainment of profitable operations. Everton's management currently has no formal plan in place to address this concern but considers that Everton will be able to obtain additional funds by equity financing and/or related party advances. However there is no assurance of additional funding being available. These factors raise substantial doubt regarding Everton's ability to continue as a going concern.

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Pursuant to the MSPA dated April 23, 2009, the former majority shareholder is liable for accounts payable and accrued liabilities of \$8,236 that was occurred prior to closing of the stock purchase.

NOTE 5 – RELATED PARTY TRANSACTIONS

Prior to completion of the MSPA, Everton recorded \$250 per month for the fair value of management fees provided by a director of Everton as a contribution to capital. Total service contribution amounted to \$1,750 and \$4,500 (includes management fees and rent contributions) for the nine month periods ended May 31, 2009 and 2008 respectively.

The related party loan was comprised of \$43,654 due to a former director of Everton at the date of stock purchase, which was non-interest bearing, unsecured, and had no specific terms for repayment. Pursuant to the MSPA dated April 23, 2009, the former majority shareholder, director and officer assumed this liability.

NOTE 6 – STOCKHOLDERS' EQUITY

On July 6, 2006 Everton issued 5,000,000 common founder shares to the President of Everton for \$50, or a price of \$0.0001 per share.

During fiscal 2008, Everton issued 501,000 shares to 46 investors for \$50,100 at a price of \$0.10 per share. Everton paid \$12,500 as part of the offering of common stock and going public. These costs were recorded as a reduction of proceeds from the fiscal 2008 capital raise.



EVERTON CAPITAL CORPORATION  
(A Pre-exploration Stage Company)  
NOTES TO THE FINANCIAL STATEMENTS  
May 31, 2009  
(Unaudited)

On April 23, 2009, pursuant to the MSPA, Company's former majority stockholder and officer sold an individual 5,000,000 shares of the Company's common stock, for \$25,000; former majority stockholder agreed to assume and be liable for any and all liabilities and obligations of Everton that were occurred prior to closing of the stock purchase (See notes 4 & 5). Pursuant to the terms of the MSPA and effective as of the closing of the transactions contemplated by the MSPA, the new shareholder owns 5,000,000 shares of the Company's common stock out of a total of 5,501,000 shares issued and outstanding, or 90.89%.

No new shares have been issued during the three and nine month periods ended May 31, 2009.

In the nine months ended May 31, 2008, Everton sold 100,000 shares of common stock for \$10,000 cash.

NOTE 7 – COMMITMENT

Consulting Agreement

In April 2009, the Company entered into a consulting agreement with the former officer to provide part time assistance and advice on business operations. The service hours, in no event, will exceed more than two hours per month. The Company in consideration of service will pay \$100 per hour to the consultant as compensation. The agreement will be in effect for six months after the acceptance by the Company.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

This section of the report includes a number of forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements are often identified by words like: believe, expect, estimate, anticipate, intend, project and similar expressions, or words which, by their nature, refer to future events. You should not place undue certainty on these forward-looking statements, which apply only as of the date of this report. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or our predictions.

### Plan of Operation

We are a start-up, exploration stage corporation and have not yet generated or realized any revenues from our business operations. An exploration stage corporation is one engaged in the search for mineral deposits or reserves which are not in either the development or production stage.

There is substantial doubt that we can continue as an on-going business for the next twelve months unless we obtain additional capital to pay our bills. This is because we have not generated any revenues and no revenues are anticipated until we begin removing and selling minerals. If we find mineralized material, we will proceed to create a development program. Development is defined as the preparation of a commercially minable deposit or reserve for extraction which is not already in production. If we do not find mineralized material, we will cease operations.

We conducted research in the form of exploration of the property. We are not going to buy or sell any plant or significant equipment during the next twelve months. We will not buy any equipment until we have located a body of ore and we have determined it is economical to extract the ore from the land.

We do not intend to interest other companies in the property if we find mineralized materials. We intend to try to develop the reserves through the use of mining engineers.

If we are unable to complete any phase of exploration because we don't have enough money, we will cease operations until we raise more money. If we can't or don't raise more money, we will cease operations.

We do not intend to hire additional employees at this time. All of the work on the property will be conducted by unaffiliated independent contractors that we will hire. The independent contractors will be responsible for surveying, geology, engineering, exploration, and excavation. The geologists will evaluate the information derived from the exploration and excavation and the engineers will advise us on the economic feasibility of removing the mineralized material.

### Milestones

Everton completed Phase 1A exploration stage on the property in August 2008 and was advised by Madman Mining, its consultant, that "Due to the shattered nature of the jade/nephrite material present (due to previous blasting), and the numerous amount of inclusions (of talc) within the matrix of the jade itself, it is recommended that no further exploration be conducted on this project and that the project should be dropped." Our management is examining various options, including looking for new business opportunities, which may include a change of control of the Company.

On April 23, 2009, the Company's former majority stockholder sold to an individual 5,000,000 shares of the Company's common stock for aggregate cash consideration equal to \$25,000 pursuant to a Majority Stock Purchase

Agreement (MSPA); former majority stockholder agreed to assume and be liable for any and all liabilities and obligations of Everton occurred prior to the stock purchase transaction. Pursuant to the terms of the MSPA and effective as of the closing of the transactions contemplated by the MSPA, the new shareholder owns 5,000,000 shares of the Company's common stock out of a total of 5,501,000 shares issued and outstanding, or approximately 90.89%.

### Limited Operating History; Need for Additional Capital

There is no historical financial information about us upon which to base an evaluation of our performance. We are an exploration stage corporation and have not generated any revenues from operations. We cannot guarantee we will be successful in our business operations. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources, possible delays in the exploration of the property, and possible cost overruns due to price and cost increases in services.

To become profitable and competitive, we must conduct the research and exploration of the property before we start production of any minerals we may find.

In the event we create a wholly owned subsidiary corporation, we estimate the costs to be approximately \$10,000. Of which, \$2,500 for incorporation, \$5,000 for an audit, \$100 for transferring the title to the property, \$500 for the registered agent fee, and up to \$1,900 for potential taxes. These expenses are predicated upon the discovery of mineralized material. There is no assurance mineralized material will ever be discovered.

### Results of Operations

From Inception on May 10, 2006

The Shulaps jade project is located approximately 25 kilometres from Lillooet, southwestern British Columbia. The jade project is on the southeastern extension of the Shulaps Range just north of Carpenter Lake. Access to the property is reached by gravel road along the Yalakom River. A turn off just past La Rochelle Creek leads to the head waters Hell Creek, the location of Jade project. Access to the project can also be reached by helicopter, 20 min flight one way.

In August 2008 we obtained samples from the property and identified the location of Jade outcrops.

The landing site for the helicopter was beside an old cabin in a flat area at approximately 551390E 5630890N 2100 m zone 10. The afternoon of the 30th was spent walking southeast of the cabin along the road. A number of trenches were found along the road cut but no exposed outcrops of Jade were observed. The road however switch backed between the serpentine of the Permian and older Shulaps Ultramafic complex on the west and the metamorphosed argillaceous sediments of the Mississippian to Jurassic age Bridge River Complex on the east. The ultramafic complex is light green to black with variable degrees of hardness. The Bridge River complex is dark brown to rusty red with obvious sedimentary layering. The contact between the two units is typically buried by overburden but can be identified to within 5 m.

Three samples, obtained using a diamond bladed generated powered rock saw, were taken from boulders that contained talc, serpentine and variable amounts of Jade.

Due to the shattered nature of the jade/nephrite material present (due to previous blasting), and the numerous amount of inclusions (of talc) within the matrix of the jade itself, it is recommended by our consultant that no further exploration be conducted on this project and that the project should be dropped.

During the period of December 1, 2008 through May 31, 2009, no activity was conducted on the property.

Since inception to the time of the sale of her shares, our former sole officer and director, has paid all our expenses to stake the property, to incorporate us, and for legal and accounting expenses. Net cash provided by that officer and director from inception on May 10, 2006 to May 31, 2009 was \$43,654.

## Liquidity and Capital Resources

We do not have sufficient cash to operate for the next 12 months. If we find mineralized material and it is economically feasible to remove the mineralized material, we will attempt to raise additional money through a subsequent private placement, public offering or through loans. If we do not raise all of the money we need from our public offering to complete our exploration of the property, we will have to find alternative sources, like a second public offering, a private placement of securities, or loans from our officers or others.

Our former sole officer and director loaned us money for our operations as needed prior to consummation of the Majority Stock Purchase Agreement dated April 23, 2009. At the present time, we have not made any arrangements to raise additional cash. If we need additional cash and can't raise it we will either have to suspend operations until we do raise the cash, or cease operations entirely.

As of the date of this report, we have yet to begin operations and therefore we have not generated any revenues from our business operations.

In July 2006, we issued 5,000,000 shares of common stock to Maryna Bilynska, our sole officer and director, pursuant the exemption from registration contained in Regulation S of the Securities Act of 1933. This was accounted for as a purchase of shares of common stock, in consideration of \$50.00 in cash.

In August, 2008, we completed our public offering by selling 501,000 shares of common stock and raising \$50,100.

On April 23, 2009, Ms. Bilynska sold all her 5,000,000 shares to an individual for aggregate cash consideration of \$25,000. Ms. Bilynska assumed all the liabilities and obligation that were occurred prior to the stock purchase transaction.

As of May 31, 2009, our total assets and our total liabilities were \$0.

#### Recent accounting pronouncements

##### The FASB Accounting Standards Codifications

In June 2009, the FASB issued SFAS No. 168, The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting. SFAS 168 represents the last numbered standard to be issued by FASB under the old (pre-Codification) numbering system, and amends the GAAP hierarchy. On July 1, FASB will launch new FASB's Codification (full name: the FASB Accounting Standards Codification TM.) The Codification will supersede existing GAAP for nongovernmental entities; governmental entities will continue to follow standards issued by FASB's sister organization, the Governmental Accounting Standards Board (GASB). This pronouncement has no effect on Company's financial statements.

##### Consolidation of Variable Interest Entities

In June 2009, the FASB issued SFAS No. 167, a revision to FASB Interpretation No. 46(R), Consolidation of Variable Interest Entities, and will change how a company determines when an entity that is insufficiently capitalized or is not controlled through voting (or similar rights) should be consolidated. Under SFAS No. 167, determining whether a company is required to consolidate an entity will be based on, among other things, an entity's purpose and design and a company's ability to direct the activities of the entity that most significantly impact the entity's economic performance. SFAS 167 is effective at the start of a company's first fiscal year beginning after November 15, 2009, or January 1, 2010 for companies reporting earnings on a calendar-year basis.

##### Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities

In June 2009, the FASB issued SFAS No. 166, a revision to SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, and will require more information about transferred of financial assets and where companies have continuing exposure to the risks related to transferred financial assets. SFAS 166 is effective at the start of a company's first fiscal year beginning after November 15, 2009, or January 1, 2010 for companies reporting earnings on a calendar-year basis.



#### Subsequent Events

In May 2009, the FASB issued SFAS No. 165, "Subsequent Events" ("SFAS 165"). SFAS 165 is intended to establish general standards of accounting for and disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. It requires the disclosure of the date through which an entity has evaluated subsequent events and the basis for selecting that date, that is, whether that date represents the date the financial statements were issued or were available to be issued. SFAS 165 is effective for interim or annual financial periods ending after June 15, 2009.

#### Not-for-Profit Entities: Mergers and Acquisitions

In April 2009, the FASB issued SFAS No. 164, "Not-for-Profit Entities: Mergers and Acquisitions". SFAS No. 164 provides guidance on accounting for a combination of not-for-profit entities, which is a transaction or other event that results in a not-for-profit entity initially recognizing another not-for-profit entity, a business, or a non-profit activity in its financial statements. It is effective for financial statements issued for fiscal years beginning after December 15, 2009.

#### The Hierarchy of Generally Accepted Accounting Principles

In May 2008, the FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles." This Statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with US GAAP.

#### Determination of the Useful Life of Intangible Assets

In April 2008, the FASB issued FASB Staff Position FAS 142-3, "Determination of the Useful Life of Intangible Assets" ("FSP FAS 142-3"). FSP FAS 142-3 amends the factors that should be considered in developing renewal or extension assumptions used to determine the useful life of a recognized intangible asset under SFAS No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142"), and requires additional disclosures. The objective of FSP FAS 142-3 is to improve the consistency between the useful life of a recognized intangible asset under SFAS 142 and the period of expected cash flows used to measure the fair value of the asset under SFAS No. 141 (R), "Business Combinations" ("SFAS 141(R)"), and other accounting principles generally accepted in the USA. FSP FAS 142-3 applies to all intangible assets, whether acquired in a business combination or otherwise and shall be effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. The guidance for determining the useful life of intangible assets shall be applied prospectively to intangible assets acquired after the effective date. The disclosure requirements apply prospectively to all intangible assets recognized as of, and subsequent to, the effective date. Early adoption is prohibited.

#### Disclosures about Derivative Instruments and Hedging Activities

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities an amendment of FASB Statement No. 133." This Statement changes the disclosure requirements for derivative instruments and hedging activities. Entities are required to provide enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. SFAS 161 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after November 15, 2008.

#### Non-controlling Interests in Consolidated Financial Statements – An Amendment of ARB No. 51.



In December 2007, the FASB issued SFAS No. 160, Noncontrolling Interests in Consolidated Financial Statements - An Amendment of ARB No. 51 ("SFAS 160"). SFAS 160 establishes new accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. Specifically, this statement requires the recognition of a noncontrolling interest (minority interest) as equity in the consolidated financial statements and separate from the parent's equity. The amount of net income attributable to the noncontrolling interest will be included in consolidated net income on the face of the income statement. SFAS 160 clarifies that changes in a parent's ownership interest in a subsidiary that do not result in deconsolidation are equity transactions if the parent retains its controlling financial interest. In addition, this statement requires that a parent recognize a gain or loss in net income when a subsidiary is deconsolidated. Such gain or loss will be measured using the fair value of the noncontrolling equity investment on the deconsolidation date. SFAS 160 also includes expanded disclosure requirements regarding the interests of the parent and its noncontrolling interest. SFAS 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008.

## Business Combinations

SFAS 141 (Revised 2007), Business Combinations (SFAS 141(R)), is effective for the Company for business combinations for which the acquisition date is on or after January 1, 2009. SFAS 141(R) changes how the acquisition method is applied in accordance with SFAS 141. The primary revisions to this Statement require an acquirer in a business combination to measure assets acquired, liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, at their fair values as of that date, with limited exceptions specified in the Statement. This Statement also requires the acquirer in a business combination achieved in stages to recognize the identifiable assets and liabilities, as well as the noncontrolling interest in the acquiree, at the full amounts of their fair values (or other amounts determined in accordance with the Statement). Assets acquired and liabilities assumed arising from contractual contingencies as of the acquisition date are to be measured at their acquisition-date fair values, and assets or liabilities arising from all other contingencies as of the acquisition date are to be measured at their acquisition-date fair value, only if it is more likely than not that they meet the definition of an asset or a liability in FASB Concepts Statement No. 6, Elements of Financial Statements. This Statement significantly amends other Statements and authoritative guidance, including FASB Interpretation No. 4, Applicability of FASB Statement No. 2 to Business Combinations Accounted for by the Purchase Method, and now requires the capitalization of research and development assets acquired in a business combination at their acquisition-date fair values, separately from goodwill. FASB Statement No. 109, Accounting for Income Taxes, was also amended by this Statement to require the acquirer to recognize changes in the amount of its deferred tax benefits that are recognizable because of a business combination either in income from continuing operations in the period of the combination or directly in contributed capital, depending on the circumstances.

## Accounting for Nonrefundable Advance Payments for Goods or Services Received for use in Future Research and Development Activities

In June 2007, the FASB issued FASB Staff Position No. EITF 07-3, "Accounting for Nonrefundable Advance Payments for Goods or Services Received for use in Future Research and Development Activities" ("FSP EITF 07-3"), which addresses whether nonrefundable advance payments for goods or services that used or rendered for research and development activities should be expensed when the advance payment is made or when the research and development activity has been performed. EITF 07-03 is effective for fiscal years beginning on or after December 15, 2008.

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

Not required

## Item 4T. Controls and Procedures

### Disclosure Controls and Procedures

As of May 31, 2009, we carried out an evaluation of the effectiveness of the design and operation of our "disclosure controls and procedures" (as defined in the Exchange Act Rules 13a-15(e) and 15d-15(e)) under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer. Based upon that evaluation, we concluded that our disclosure controls and procedures are effective.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our

reports filed under the Exchange Act is accumulated and communicated to management to allow timely decisions regarding required disclosure.

#### Changes in Internal Controls Over Financial Reporting

During the quarter ended May 31, 2009, there were no changes in our internal control over financial reporting that materially affected our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in various lawsuits and legal proceedings, which arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may have an adverse affect on our business, financial conditions, or operating results. We are currently not aware of any such legal proceedings or claims that will have, individually or in the aggregate, a material adverse affect on our business, financial condition or operating results.

Item 1A. Risk Factors

Not required.

Item 2. Unregistered Sales Of Equity Securities And Use Of Proceeds

On December 18, 2007 our Form SB-2 registration statement (SEC File no. 333-138995) was declared effective by the SEC. There is no underwriter involved in our public offering. As of July 10, 2008, investors have subscribed for 250,000 shares of common stock.

Use of Proceeds

On August, 2008, we completed our public offering of shares of common stock. SEC File No. 333-138995. There was no underwriter involved in our public offering. We sold 501,000 shares of common stock and raised \$50,100. Since completing our public offering, we spent the proceeds as follows:

Everton Capital Corporation	
Use of Proceeds	
February 28, 2009	
Bank service charge	548
Stock transfer	11,839
Project advance	10,000
Office	2,892
Legal/Accounting	16,142
Rent	6,263
Total	47,683

Item 3. Defaults Upon Senior Securities

None.

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

None.

Item 5. Other Information

None.

Item 6. Exhibits

The following documents are included herein:

Exhibit No.	Document Description
31.1	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to section 906 of the Sarbanes-Oxley Act of 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the Registrant and in the capacities on this 14th day of July, 2009.

EVERTON CAPITAL CORPORATION  
(Registrant)

BY: /s/ Jonathan Woo  
Jonathan Woo  
President, Principal Executive  
Officer,  
Secretary, Treasurer, Principal  
Financial Officer,  
Principal Accounting Officer, and  
sole member  
of the Board of Directors.

EXHIBIT INDEX

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