

PUBLIC CO MANAGEMENT CORP  
Form 10KSB  
December 28, 2007

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 10-KSB**

(Mark One)

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

For the fiscal year ended September 30, 2007

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

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

Commission File Number 000-50098

**PUBLIC COMPANY MANAGEMENT CORPORATION**

(Name of small business issuer in its charter)

**Nevada**

(State or other jurisdiction of incorporation or organization)

**88-0493734**

(I.R.S. Employer Identification No.)

**5770 El Camino Rd, Las Vegas, NV**

(Address of principal executive offices)

**89118**

(Zip Code)

Issuer's telephone number **(702) 222-9076**

Securities registered under Section 12(b) of the Exchange Act: **None**

Securities registered under Section 12(g) of the Exchange Act:

**Common Stock, \$.001 par value per share**

(Title of class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act.

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 past 90 days. Yes  No

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB.

Edgar Filing: PUBLIC CO MANAGEMENT CORP - Form 10KSB

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

The issuer's revenue for the most recent fiscal year ended September 30, 2007 was \$888,136.

The aggregate market value of the voting and non-voting common equity held by non-affiliates was \$431,598 as of December 6, 2007, based upon the per share closing sale price of \$0.05 on such date.

As of December 6, 2007, there were outstanding 28,149,316 shares of the registrant's common stock, \$.001 par value per share.

Transitional Small Business Disclosure Format: Yes o No x

---

**Form 10-KSB**  
**For the Fiscal Year Ended September 30, 2007**

**TABLE OF CONTENTS**

	Page
<b>PART I</b>	
Item 1.	Description of Business. 1
Item 2.	Description of Property. 9
Item 3.	Legal Proceedings. 9
Item 4.	Submission of Matters to a Vote of Security Holders. 10
<b>PART II</b>	
Item 5.	Market for Common Equity and Related Stockholder Matters. 10
Item 6.	Management's Discussion and Analysis. 11
Item 7.	Financial Statements. 25
Item 8.	Changes In and Disagreements With Accountants on Accounting and Financial Disclosure. 39
Item 8A.	Controls and Procedures. 39
Item 8B.	Other Information. 39
<b>PART III</b>	
Item 9.	Directors, Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance With Section 16(a) of the Exchange Act. 39
Item 10.	Executive Compensation. 42
Item 11.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters. 43
Item 12.	Certain Relationships and Related Transactions, and Director Independence. 44
Item 13.	Exhibits. 46
Item 14.	Principal Accountant Fees and Services. 46

---

**Form 10-KSB**  
**For the Fiscal Year Ended September 30, 2007**

**PART I**

**Item 1. Description of Business.**

**Overview**

We are a management consulting firm that educates and assists small businesses to improve their management, corporate governance, regulatory compliance and other business processes, with a focus on capital market participation. We provide solutions to clients at various stages of the business lifecycle:

- Educational products to improve business processes or explore entering the capital markets;
  - Startup consulting to early-stage companies planning for growth;
- Management consulting to companies seeking to enter the capital markets via self-underwriting or direct public offering or to move from one capital market to another; and
  - Compliance services to fully reporting, publicly traded companies.

We help companies to understand and prepare to meet the obligations incumbent upon public reporting companies, to access the public capital markets primarily through the companies' self underwriting or direct public offerings of their securities. We also guide and assist them in maintaining their periodic reporting compliance process. We offer our services under the trademarks Pubco WhitePapers™, GoPublicToday™ and Public Company Management Services™ ("PCMS"). We focus on the small business market which we believe is underserved by larger management consulting services firms. As a fully reporting, small business issuer with our common stock quoted and traded on the over-the-counter Bulletin Board (or OTCBB) under the symbol "PUBC", we strive to lead by example.

We generate revenue primarily from consulting services that we provide to private company clients seeking to become fully reporting, publicly traded companies. We also generate revenue from regulatory compliance services that we provide to public company clients that are required to file periodic and other reports with the United States Securities and Exchange Commission (the "SEC"). We offer these services for a flat-fee consisting of cash and restricted shares of our clients' common stock. Our revenue recognition policy for management consulting services is based on the value received by our customers at measurable milestones during the process that our clients undergo in becoming public companies. We also generate revenue from sales of our database of educational white papers to the public and open line consultations with potential clients regarding their prospects of becoming public companies.

We created the PCMC Bulletin Board 30 Index® (the "PCMC 30") to increase peoples' awareness of the OTCBB as a public equity market and our exposure to small business issuers.

Our principal executive office is located at 5770 El Camino Road, Las Vegas, Nevada 89118 which houses our President, CEO and majority shareholder, Stephen Brock. Our other executive officers and administrators work from digitally linked virtual offices throughout the U.S. Our telephone number is (702) 222-9076. We maintain a number of websites including [www.PublicCompanyManagement.com](http://www.PublicCompanyManagement.com); however, the information in, or that can be accessed through, our websites is not part of this report. Unless otherwise indicated or the context requires otherwise, in this report, all references to the "Company," "PCMC," "we," "us" and "our" refer to Public Company Management Corporation Nevada corporation, and its subsidiaries.

## **Business Development**

We were incorporated in Nevada on October 26, 2000 under the name MyOffiz, Inc. On October 1, 2004, MyOffiz entered into an exchange agreement with our founder, President, CEO and majority shareholder, Stephen Brock, who, at the time, controlled GoPublicToday.com, Inc. (“GPT”), Pubco WhitePapers, Inc. (“PWP”), Public Company Management Services, Inc. (“PCMS, Inc.”) and Nevada Management Corporation, Inc., formerly Nevada Fund (“NMC”) which is now dormant. Under the exchange agreement, MyOffiz acquired approximately 92.1% of the outstanding shares of GPT, all of the outstanding shares of PWP and PCMS, Inc. and approximately 98.0% of the outstanding shares of NMC in exchange for an aggregate of 15,326,650 newly issued shares of MyOffiz’ common stock. After the exchange, we changed our fiscal year end from June 30 to September 30 and our name to Public Company Management Corporation, and acquired the remaining minority interest of GPT which became our third wholly-owned, operating subsidiary.

## **Products and Services**

We provide a broad range of value-added management consulting services designed to improve corporate structures, business practices and procedures, record keeping, accounting and corporate governance in order for small private companies to advance and sustain themselves in the public capital marketplace. The fundamental aspect of these services is our ability to assemble a team of legal, accounting, marketing and other professionals who can guide our private company clients through the complex process of becoming public and provide compliance and strategic management consulting to public company clients with an aim of enhancing their intrinsic value and market capitalization.

We also prepare and publish educational white papers to help businesspeople make the right decisions for the good of their companies when accessing the capital markets. Conducting a securities offering or being a publicly traded company involves a complex myriad of federal and state laws, rules and regulations as well as customary best practices and procedures any of which easily can be misunderstood, misinterpreted or misapplied. There are several traps for the unwary. We believe that the more management teams know and understand about these endeavors and the issues that they will face, the better able they are to make the right decisions.

### ***Education – PubcoWhitePapers.com***

We designed Pubco WhitePapers™ to provide businesspeople with the information that they need to successfully operate their businesses, go public, stay public and access the capital markets in the U.S. Beyond education, Pubco WhitePapers™ also generates revenue for us from the sale of white papers and serves as a client lead generation vehicle for our other services. Our white papers and other educational materials help private companies determine whether they should become public and the appropriate methods available to them. They address critical financial, industry and regulatory issues and questions of interest to private companies considering the pros and cons of seeking public equity. Our white papers cover a wide range of topics including the public capital markets, regulatory compliance requirements, strategic planning, liquidity, corporate finance and other financial matters including the protection of officers’ and directors’ personal wealth. Our white papers also provide companies with information they need to maintain regulatory compliance and to access the funding that they need to reach their goals. We believe that our white papers are an excellent read for all market participants. Through Pubco WhitePapers™, we are always looking for more ways to educate small business owners on the exciting possibilities of the U.S. capital markets.

Some of our premier white papers are listed below:

• The Affordable IPO Alternative: The SB-2 Filing Process;  
• Going Public: Are You Emotionally Prepared?;  
• Business Plan Development Guide;

The Nevada Advantage;  
Reverse Mergers: Pitfalls and Alternatives;  
How Can the OTCBB be Used as a Stepping Stone to the AMEX or the NASDAQ; and  
Asset Protection for Corporate Officers and Directors.

We give our clients free access to Pubco WhitePapers™ to help them manage their entry into the capital marketplace and sustain their position.

*Management Consulting Services – GoPublicToday.com*

We provide management consulting services and advice to private company clients seeking to register and self distribute their own securities in a public offering without an underwriter and obtain a listing and have their securities quoted and traded. While all of our clients have access to our internal management team's broad range of experience, we recommend an experienced group of professional service providers that our clients engage to accomplish this task. During the process, we consult and advise our clients on best practices and procedures and serve as project manager for our clients. We also serve as a liaison between our clients and their professional service providers. After our clients become public, we provide them with regulatory compliance services (discussed below). We receive the predominate portion of our fee in the form of restricted shares of common stock of our clients.

Not every small business can make it through the process of becoming a fully reporting, publicly traded company for a number of reasons such as a change in business or management, their dedication to the process and continued financial commitment or their inability to meet obligations or improve accounting deficiencies, among other weaknesses and limitations. Engaging such a client would create an opportunity cost for us in terms of time that we could otherwise spend on capable clients. To mitigate this, our process begins with an initial prescreening of all potential clients to determine their requirements and the scope and cost of the services that will be required. We also require potential clients to complete an open line questionnaire to obtain preliminary information on the potential client's business and background. As part of a third prescreening, we invite potential clients to a free, fast-moving, thirty-minute open line consultation with members of our executive management team. We undertake this level of inquiry to aid us in determining that our services are being obtained for proper purposes in order to maintain our goodwill.

After the open line consultation, we deliver proprietary documentation to potential clients. This documentation includes our form contract, estimated total fees and costs to complete the process and the PCMC Roadmap™ (the "Roadmap"). The Roadmap divides the process into three phases: 1) Gap Analysis; 2) Fully Reporting & Publicly Traded; and 3) SEC Compliance & Strategic Advisory. It provides clients with detailed clarification of their duties/responsibilities and ours during each step of all three phases of the process. The Roadmap also introduces clients to specialized terms and concepts that they will encounter during the process such as Management's Discussion and Analysis (or MD&A), the Securities Act, the Exchange Act, Regulation D, the Public Company Accounting Oversight Board (or PCAOB), Blue Sky, Private Placement Memorandum (or PPM), Direct Public Offering (or DPO), EDGAR, Form SB-2, Form 10-KSB, Form 10-QSB, Form 8-K and Forms 3, 4 and 5, Schedule 13-D, Form ID, and the so-called quiet period. We believe the Roadmap serves as an educational resource and point of reference for clients as they move through the process.

Some of the services that we provide during the process include the following:

- Recommend a group of professional service providers including principal independent accountants, audit coordinators, corporate and securities lawyers, transfer agents, EDGAR agents and NASD member firms that are registered as market makers;
  - Advise clients in choosing which professional service providers to engage;
  - Serve as project manager to clients;
- Serve as liaison between clients and their professional service providers and between the professional service providers;
- Establish and administer a virtual office (or intranet) for each client and train clients and their teams on its use to facilitate sharing of documents and other information;
  - Review, assess and make recommendations of business plan;

· Advise on, make projections, prepare and maintain capitalization table;

-3-

---



- Furnish examples of general ledgers, financial statements, financial statement footnotes, MD&As, milestones and use of proceeds and dilution tables and descriptions; and
- Advise on best practices and procedures for primary exempt offerings, private placements and registered best efforts offerings of securities conducted by our clients' officers, directors and employees or secondary shelf registered offerings by our clients selling shareholders.

***Regulatory Compliance Services – PCMS-Team.com***

We provide compliance services and advice to public companies regarding their SEC reporting and corporate governance requirements. Our compliance services are designed with small businesses in mind and geared to assist them in complying with the myriad of rules and regulations pertaining to public companies.

Some, but not all, of the regulatory compliance services that we provide include the following

- Consult with officers and directors regarding their fiduciary duties and responsibilities relating to a fully reporting public company and full disclosure;
- Coordinate with internal accountants, attorneys, principal independent accountant and EDGAR agent regarding timely filing of clients' periodic reports with the SEC;
  - Consult regarding events requiring clients to file current reports with the SEC and coordinate filings;
  - Coordinate with EDGAR agent for electronic submissions of clients' reports to the SEC and reports required to be filed by clients' officers, directors and reporting shareholders, including preparing and filing Forms ID and maintaining a matrix of EDGAR filing codes and other information necessary for filing;
  - Determine and track statement of beneficial ownership filing requirements and coordinate filings;
- Determine and track initial statements, statements of changes, and annual statements of beneficial ownership of securities filing requirements, coordinate filings and consult regarding insider trading policy;
- Consult and advise on policy regarding control of confidential and material nonpublic information, press releases, Regulation FD disclosure requirements and limitations on communications of public companies;
  - Advise and consult regarding equity incentive plans; and
- Advise and consult regarding proxy or information statement for one shareholder meeting limited to the election of directors and ratification of auditors and coordination with professional service providers regarding filing, printing and mailing the proxy or information statement and conducting the annual meeting.

***Market Awareness – PCMC Bulletin Board 30 Index®***

We created the PCMC 30 in July 2005 to promote greater awareness and familiarity with the OTCBB and to increase our exposure as a provider of services to the small business market. We anticipate that the PCMC 30 will serve to educate the investment community about the validity of OTCBB stocks and to broadcast the value of the OTCBB as a springboard for small companies to launch onto a national exchange. Since the introduction of the PCMC 30, we have found that the benefits of this index extend beyond bringing greater awareness to the OTCBB and also include indirect lead generation for our management consulting and regulatory compliance services and legitimacy of our role within our marketplace niche.

The PCMC 30 consists of 30 stocks that are selected based on the following well recognized standards:

- Three month average trade volume;
- Market capitalization;
- Historical stock price;
- Shares outstanding;
- Estimated float;
- Revenues;
- Operating history; and
- Industry/sector diversity.

We believe that the PCMC 30 is the only measurement of performance of stocks traded exclusively on the OTCBB. The companies included in the PCMC 30 are not clients of ours and we do not own any of their securities. We do not make specific fundamental judgments on the outlook of companies included in the PCMC 30.

### **Our Clients**

Our clients consist primarily of growing small-to-middle market private companies that:

- Have a business plan showing a potential for profitable operations and strong revenue growth within three to five years;
- Operate in either established markets, high growth potential niche markets and/or market segments that are differentiated, driven by pricing power or mass scale standardized product/service delivery; and
- Have an experienced management team or clear plans to establish such team that owns a significant portion of their current equity.

During fiscal 2007, we began requiring potential clients generally to have at least \$1 million in current annual revenue and high double-digit sales growth before we will enter an engagement with them. Also, we encourage clients to change their state of incorporation to Nevada if they are organized in another state or a foreign country.

### **Operational Infrastructure**

We have a decentralized, virtual operational infrastructure which we support through a program that we call Always-On Management™, a strategic and best practices approach for geographically distributed teams to utilize technology to increase productivity and performance.

We service clients throughout the U.S. and in Canada. Our executive officers and team of other independent contractors essential to our day-to-day operations and servicing these clients are also geographically distributed. Through the program, we have implemented several key technologies and related management practices in order to effectively manage both our internal operations and client engagements in this environment. We believe that maintaining a virtual infrastructure prevents the need for costly office space and gives us the flexibility to work with the right talent at the right time regardless of their location.

Always-On Management™ addresses the challenges of using technology to manage a geographically distributed team. While many of these technologies have been available for several years, the management practices around their use are typically not mature in small businesses like us outside of the technology industry. We are leading by example and pioneering their use in small business.

A key aspect of Always-On Management™ is distinguishing between tasks that can best be accomplished asynchronously (e.g., via e-mail and document management systems) and tasks that can best be accomplished synchronously (e.g., real-time communication via voice over Internet protocol (or VOIP) or web conferencing. Our management team holds a daily virtual working session in which they discuss and make decisions on key issues; review, revise and finalize documents; and report and make assessments, recommendations and reassignments on the workflow related to our client engagements. Key independent contractors and professional service providers are also available and may be added to the conference as needed. This process simulates the easy access of a traditional office and improves the operational efficiency of our geographically distributed team.

## **Sales**

Previously, we exclusively relied on Stephen Brock, our President, CEO and majority shareholder, to sell our management consulting and regulatory compliance services. However, we continue to expand the role and responsibilities of Kipley J. Lytel, our Secretary and Chief Operating Officer (or COO), in the sales process. We have also retained a consultant to assist us with marketing and business development. The consultant is focused on direct outreach within Nevada.

## **Marketing**

Our marketing strategy focuses on education first and foremost, with our whitepapers as our flagship marketing tool. We use them to educate small business owners and to promote the availability of capital markets and the value of our services. Small business owners often lack the resources and experience needed to access the capital markets; however, they generally are in the most serious need of funding. We believe that by educating small business owners, they become more aware of capital markets, better able to access capital markets, more proficient in their use of funding and the small business market is better served.

The collection of white papers represents a body of knowledge about a wide variety of financial and small business topics, all collected and easily accessible in one place. This strategy:

- Positions us as thought leaders in this space;
- Generates leads; and
- Qualifies those leads before progressing to more costly sales efforts.

We routinely conduct Internet advertising campaigns that offer free white papers and open line consultations to educate small business owners and generate clients for our management consulting and regulatory compliance services. This core strategy is supported by the following:

- Cross-promotion on our various websites;
- Direct mail and opt-in email to potential clients;
- Other educational communications designed to promote the availability of public equity markets to companies seeking to expand their business and unlock shareholder value;
- Publication of articles in business journals; and
- Sponsorship of and attendance at securities industry conferences and various events designed to raise awareness of the public equity markets.

We are exploring outsourcing the marketing and sales of the Pubco WhitePapers™ to a third party in an effort to fully capitalize on the revenue potential for this business segment.

The nature of marketing on the Internet is currently undergoing a dramatic change thanks to blogs and other social media. We are committed to leveraging the latest Internet marketing techniques to reach new market niches cost

effectively by offering educational content in these new media outlets.

-6-

---

## Competition

We face intense competition in every aspect of our business, and particularly from other firms which offer management, compliance and other consulting services to private and public companies. However, we have not identified any particular competitor that attempts to offer the full suite of services as us in a turnkey fashion. We also differentiate ourselves by accepting a relatively low cash component as our fee for management consulting and regulatory compliance services and taking a greater portion of our fee in the form of restricted shares of our private clients' common stock. We also face competition from a large number of consulting firms, investment banks, venture capitalists, merchant banks, financial advisors and other management consulting and regulatory compliance services firms similar to ours. Many of our competitors have greater financial and management resources and some have greater market recognition than we do.

In addition, a client may choose to use its own resources rather than engage an outside firm for the types of services we provide.

We believe that the principal competitive factors in the industries in which we compete include:

- Skills and capabilities of people;
- Innovative service and product offerings;
- Perceived ability to add value;
- Reputation and client references;
- Price;
- Scope of services;
- Service delivery approach;
- Technical and industry knowledge and experience;
- Quality of services and solutions;
- Ability to deliver results on a timely basis;
- Availability of appropriate resources; and
- National reach and scale.

We believe that we occupy a unique niche relating to privately held companies seeking access to the public equity markets.

We compete primarily on the following basis:

- *Target Market.* We target small businesses that are seeking access to capital markets. We also target small businesses that are required to maintain compliance with public reporting and corporate governance requirements. Their needs are highly complex and time consuming. We believe that they are underserved by larger management consulting services firms and that we have more experience and knowledge than firms our size and smaller.
- *Education.* We provide our clients with value-added services that begin with education and access to Pubco WhitePapers™. We are committed to educating clients on all facets of their operations and believe this tenet is the most valuable service to our clients.
- *Flexible Fee Structure.* The customary billing rate for management consulting and regulatory compliance services is \$425 per hour. We estimate that we provide approximately 1,600 hours of services for a private company client to become a fully reporting, publicly traded company. Many small businesses need access to the capital markets to grow their operations, but do not have the cash to pay all of the professional service fees that they will incur to become a public company. To defray our clients' out-of-pocket costs, we accept the predominate portion of our payment in the form of restricted shares of their common stock. In addition, we have established relationships with

state and federal banks for them to offer our qualified clients loans up to \$250,000 to be used to pay our management consulting and compliance services fees and other expenses related to the client becoming a fully reporting, publicly traded company and entering the capital markets.

-7-

---

*Experience and Knowledge.* Collectively, our three executive officers have several years of experience ranging from accounting, finance, legal and self-distribution of securities. We lead from our own business model of moving from a one-executive private company to a small growing public company that has built-out extensive management and operating infrastructure resources. Our common stock is quoted and traded on the OTCBB. We are required to maintain compliance with SEC reporting and corporate governance requirements. We face the same challenges as other small businesses in raising debt or equity capital. As such, we strive to lead by example.

*Professional Service.* We work with what we believe to be some of the best and affordable professional services providers in our industry. They range from accounting firms, corporate and securities attorneys, audit coordinators, NASD members that are registered as market makers, EDGAR agents, information technology professionals, shareholder awareness firms, independent equity research boutiques, and administrative assistants with years of experience servicing small businesses, among other professionals.

*Aftermarket Support.* The regulatory requirements for public companies can be overwhelming to small business management teams. Through our regulatory compliance services, we provide our clients with the skills and tools they need during their first year as a public company. After our engagement is complete, we hope that our clients will have learned everything they need to remain public and continue to access the capital markets. We will continue to offer our services to clients after the contract period expires.

We believe that we compete favorably on the factors described above. However, our industry is becoming increasingly competitive. Larger, more established companies than us may be able to compete more efficiently or effectively.

## **Intellectual Property**

We rely on a combination of trademark, copyright and trade secret laws in the U.S. and other jurisdictions as well as confidentiality procedures and contractual provisions to protect our intellectual property and other proprietary rights.

PCMC Bulletin Board 30 Index® is a registered trademark in the U.S. Our trademarks which are not federally registered include: Pubco WhitePapers™, GoPublicToday™, Public Company Management Services™ (“PCMS”), PCMC 30 Index™, PCMC Roadmap™, Always-On Management™, Delaware of the West™ and Wall Street of the West™.

Circumstances outside our control could pose a threat to our intellectual property rights. For example, effective intellectual property protection may not be available in every country in which our products and services are distributed. Also, the efforts we have taken to protect our proprietary rights may not be sufficient or effective.

## **Governmental Regulations**

We are required to operate our business in conformity with various federal and state securities laws including the Securities Act of 1933, as amended (the “Securities Act” or “1933 Act”), the Securities Exchange Act of 1934, as amended (the “Exchange Act” or the “1934 Act”), the Nevada Uniform Securities Act under which our subsidiary, GoPublicToday.com, Inc., is a registered investment advisor and rules and regulations of the SEC, the National Association of Securities Dealers (the “NASD”) and state regulatory agencies. In these regards, we do not prepare or certify any part of our clients’ registration statements or engage in any broker-dealer or underwriting activity including providing customer list or other leads to use in connection with our clients’ offerings of securities.

We do not believe that we are an investment company within the meaning of the Investment Company Act of 1940 (the "1940 Act"). We accept the predominate portion of our fee for management consulting and compliance services in the form of restricted shares of our clients' common stock which do not have a market. We accept this as a form of payment because our clients are small privately held businesses that do not otherwise have the cash to pay for our services at the customary rate of \$425 per hour. Since first conducting our current business operations as a public company over two years ago, markets have not developed for most of the common stock and we have not had an opportunity to dispose of much of it. As a result, we have accumulated common stock which currently constitutes most of our assets. We have adopted a policy to dispose of the common stock as soon as markets develop and we are able to sell it pursuant to an effective registration statement or an exemption from registration. For these and other reasons, we do not believe that we are engaged, nor do we propose to engage primarily in the business of investing, reinvesting, or trading in securities. Please see the section entitled "Risk Factors" under the heading "Item 6. Management's Discussion and Analysis of Plan of Operation."

### **Independent Contractors**

We have several people who perform management, legal, accounting, finance, operational, technical, administrative and other employee-related services for us as independent contractors. We have two people providing executive-level services on a full-time basis and approximately eight people providing executive-level and other services on a part-time basis. We also engage several independent contractors to service our clients under our management consulting and compliance services contracts. We believe that our relationship with our independent contractors is good and that other independent contractors except executive-level management are available at reasonable costs to provide these services if necessary.

### **Item 2. Description of Property.**

Our executive office is located at 5770 El Camino Road, Las Vegas, Nevada 89118 and consists of 1,000 square feet. Stephen Brock, our President, CEO and majority shareholder, provides us with this office space on a rent-free basis. We plan to open an office in New York, New York. We believe that these facilities will be suitable to accommodate our growing business needs.

Our other executive officers and persons performing employee-related functions work from digitally linked virtual offices in the following locations:

- District of Columbia;
- Houston, Texas;
- Irvine and Santa Barbara, California;
- Las Vegas, Nevada;
- Lebanon, Indiana; and
- New York, New York.

### **Item 3. Legal Proceedings.**

In April 2006, UgoMedia Interactive Corporation and we entered into a stipulated payment order, which was filed in the District Court of Clark County, Nevada in a breach of contract case which we had brought against UgoMedia in July 2004. Pursuant to the order, UgoMedia was obligated to pay us an aggregate of \$315,000 during the period from April 2006 to October 2006. UgoMedia had paid us \$61,500, but has defaulted on the remainder of the payment as of September 30, 2006. As a result of UgoMedia's failure to make payment, we have the right to immediately enter judgment for the balance then due, less payments previously received, together with interest on the then unpaid balance at the rate of 8% per annum until fully paid. The order also provides that one of the individual defendants is subject to a \$40,000 judgment inclusive of the \$315,000 that was owed to us by Ugomedia; however, this judgment is



subject to a dollar-for-dollar credit for all sums paid to us by UgoMedia. We also have the right to enter judgment against the individual, subject to the credit and any amounts paid to us by the individual, if UgoMedia fails to make the scheduled payments or cure such failure. We entered judgment on December 15, 2006, but we are having difficulty collecting and there can be no assurance.

-9-

---

In addition, we may be a party to various litigation that is normally incident to our business and which, individually and in the aggregate, would not involve claims against us for damages, exclusive of interest and costs, in excess of 10% of our current assets.

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

There were no matters submitted to a vote of security holders during the fourth quarter of the fiscal year covered by this report.

**PART II**

**Item 5. Market for Common Equity and Related Stockholder Matters.**

**Market Information**

Our common stock has been quoted on the OTCBB under the symbol "PUBC" since September 29, 2004. The following table sets forth for the indicated periods the high and low bid prices for our common stock on the OTCBB. The quotations reflect inter-dealer prices, without retail mark-up, markdown or commission, and may not necessarily represent actual transactions.

<b>Fiscal 2007 Quarters Ended:</b>	<b>High</b>	<b>Low</b>
September 30, 2007	\$ 0.08	\$ 0.08
June 30, 2007	\$ 0.08	\$ 0.076
March 31, 2007	\$ 0.16	\$ 0.15
December 31, 2006	\$ 0.30	\$ 0.21

<b>Fiscal 2006 Quarters Ended:</b>	<b>High</b>	<b>Low</b>
September 30, 2006	\$ 0.37	\$ 0.37
June 30, 2006	\$ 0.125	\$ 0.125
March 31, 2006	\$ 0.34	\$ 0.32
December 31, 2005	\$ 0.58	\$ 0.51

**Holders of Record**

As of December 6, 2007, there were 79 holders of record of our common stock. Because many of our shares of common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders.

**Dividend Policy**

We have never paid any cash dividends on our common stock. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future.

**Unregistered Sales of Equity Securities**

The following table lists unregistered sales of our equity securities during the fourth quarter of the fiscal year covered by this report.

Name	Shares of Common Stock	Consideration	Value	Date <sup>(1)</sup>
Scott Allen	2,600	Consulting services rendered	\$ 208	09/30/2007
Robert Beers	32,500	NEDAB services rendered	\$ 2,348 <sup>(2)(3)</sup>	<sup>(2)(3)</sup>
Dan Burdish	7,500	NEDAB services rendered	\$ 598 <sup>(2)</sup>	<sup>(2)</sup>
Tim Carlson	28,685	NEDAB services rendered	\$ 2,292 <sup>(2)(4)</sup>	<sup>(2)(4)</sup>
Paul Henderson	7,500	NEDAB services rendered	\$ 598 <sup>(2)</sup>	<sup>(2)</sup>
Trae O'Neil High	25,000	CLO bonus for services rendered	\$ 1,625	08/13/2007
Somer Hollingsworth	923	Consulting services rendered	\$ 74	09/28/2007
Kipley J. Lytel	100,000	COO bonuses for services rendered	\$ 7,375 <sup>(5)</sup>	<sup>(5)</sup>
Vic Ruybalid	1,250	Consulting services rendered	\$ 88	07/18/2007
Donald Shalmy	21,185	Consulting services rendered	\$ 1,695	09/28/2007

- (1) Represents the date used to value the common stock.
- (2) On July 31, 2007, August 31, 2007 and September 30, 2007, 2,500 shares were earned and valued at \$0.070 per share, \$0.089 per share and \$0.080 per share, respectively.
- (3) On July 30, 2007, Mr. Beers earned 25,000 shares valued as \$0.070 per share as a signing bonus pursuant to his consulting agreement with us.
- (4) On September 28, 2007, Mr. Carlson earned 21,185 shares valued at \$0.080 per share for consulting services rendered.
- (5) On July 1, 2007, July 9, 2007 and September 13, 2007, Mr. Lytel earned 25,000 shares valued at \$0.080 per share, \$0.080 per share and \$0.070 per share, respectively, pursuant to his consulting agreement with us as a bonus for signing new clients on each of such dates, and, on August 13, 2007, 25,000 shares valued at \$0.065 per share as a bonus for a completed management consulting services engagement.

We claim an exemption from registration afforded by Section 4(2) of the Securities Act because of the limited number of persons involved in each transaction, our previous relationship with the recipients, the access of such persons to information about us that would have been available in a public offering and the absence of any public solicitation or advertising. Also, the recipients took the securities for investment and not resale and we took appropriate measures to restrict transfer.

For a discussion of unregistered sales of our equity securities during the first, second and third quarters of the fiscal year covered by this report, please see our quarterly reports on Forms 10-QSB filed on February 12, 2007, April 26, 2007, and July 30, 2007, respectively. For a discussion of unregistered sales of our equity securities to Stephen Brock, our President, CEO, majority shareholder and a director, during the fourth quarter of the fiscal year covered by this report, please see our current report on Form 8-K filed on October 31, 2007.

**Item 6. Management's Discussion and Analysis.**

The following discussion may contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as

amended (the “Exchange Act”), which can be identified by the use of forward-looking terminology such as, “may,” “believe,” “expect,” “intend,” “anticipate”, “estimate,” or “continue” or the negative thereof or other variations thereof or comparable terminology. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Our operations involve a number of risks and uncertainties, including those described in the Description of the Business of this Annual Report on Form 10-KSB and other documents filed with the Securities and Exchange Commission. Therefore, these types of statements may prove to be incorrect.

-11-

---

## Overview

We are a management consulting firm that educates and assists small businesses to improve their management, corporate governance, regulatory compliance and other business processes, with a focus on capital market participation. We provide solutions to clients at various stages of the business lifecycle:

- Educational products to improve business processes or explore entering the capital markets;
  - Startup consulting to early-stage companies planning for growth;
- Management consulting to companies seeking to enter the capital markets via self-underwriting or direct public offering or to move from one capital market to another; and
  - Compliance services to fully reporting, publicly traded companies.

We help companies to understand and prepare to meet the obligations incumbent upon public reporting companies, to access the public capital markets primarily through the companies' self underwriting or direct public offerings of their securities. We also guide and assist them in maintaining their periodic reporting compliance process. We offer our services under the trademarks Pubco WhitePapers™, GoPublicToday™ and Public Company Management Services™ ("PCMS"). We focus on the small business market which we believe is underserved by larger management consulting services firms. As a fully reporting, small business issuer with our common stock quoted and traded on the over-the-counter Bulletin Board (or OTCBB) under the symbol "PUBC", we strive to lead by example.

Our clients consist primarily of growing small-to-middle market private companies that:

- Have a business plan showing a potential for profitable operation and above normal growth within three to five years;
- Operate in either established markets, high growth potential niche markets and/or market segments that are differentiated, driven by pricing power or mass scale standardized product/service delivery; and
  - Have an experienced management team that owns a significant portion of their current equity.

During fiscal 2007, we began requiring potential clients to show that they have at least \$1 million in current annual revenue and high double digit sales growth before we will enter an engagement with them. Also, we encourage clients to change their state of incorporation to Nevada if they are organized in another state or a foreign country.

## How We Generate Revenue

During fiscal 2007, we derived revenue from the following activities:

*Educational White Papers, Open Lines and Consultations.* We have a database of over 140 educational white papers that serve growth-stage business owners and financial executives. We sell these white papers at retail prices ranging from \$9.95 to \$194.95 per paper. We also conduct open lines communications and consultations with potential clients regarding their prospects of becoming public companies. We expect that a certain number of these sales, open lines and consultations will translate into clients seeking to become fully reporting, publicly traded companies, and that we can enter into contracts with them to provide our management consulting and regulatory compliance services.

*Management Consulting Services.* We provide management consulting services to small businesses. We currently generate most of our revenue from management consulting services that we provide under the PCMC Roadmap to our clients seeking to become fully reporting, publicly traded companies. Rather than charging these clients cash at a fair market rate of \$425 per hour, we offer them contracts with a fee structure consisting of a mix of stock and cash. Under this structure, we currently receive 1.25 million shares of common stock of the client which are nonrefundable plus \$85,000 for management consulting services and, as discussed below, \$48,000 for compliance services.



Effective with the second quarter ended March 31, 2005, we adopted a revenue recognition policy in which we recognize a portion of the revenue related to our consulting contracts at the completion of each of the following four milestones:

- (i) initial analysis of client's business and operations and private round(s) of initial financing from up to thirteen investors (20%);
- (ii) clients' preparation of a second round of financing in the form of a private placement memorandum or registration statement for filing with the SEC (20%);
- (iii) effectiveness of clients' registration statement (25%); and
- (iv) clients' qualification for quotation on the OTCBB or listing on a securities market or exchange (35%).

During fiscal 2007, some of our clients expressed a need for immediate, seed-type capital from one to three potential investors prior to conducting the private offering of initial financing from up to ten accredited or sophisticated investors for which we normally recognize 20%. We believe that the client's ability to conduct this type of offering is a measurable milestone related to the management consulting services that we provide under our contracts. We estimated that the value of the services we provide for this purpose is approximately 10% of the total contract. Accordingly, effective October 1, 2007, we revised our revenue recognition policy to bifurcate the first milestone in the event we provide management consulting services to a client to raise seed-type capital, otherwise we continue to recognize 20% for services we provide for the first milestone.

We also derive revenue from a broad range of value-added management consulting services that we provide on an hourly basis. Our current rate for these services is \$425 per hour. These services are designed to improve corporate structures, business practices and procedures, record keeping, accounting and corporate governance in order for small private companies to advance and sustain themselves in the capital markets. We receive payment for these services in the form of cash; however, for those clients receiving services under our PCMC Roadmap, discussed above, we may receive payment in the form of cash or additional client stock for time delays caused by the client or additional management consulting services outside of the scope of the contract that the client may ask us to perform.

*Compliance Services.* We offer regulatory compliance services to public companies. These services also include corporate governance matters under the Sarbanes-Oxley Act of 2002. Our rate for these services is \$425 per hour; however as part of our management consulting services contracts with clients seeking to become a fully reporting, publicly traded company, we provide these services for \$48,000 for the first twelve months after a client becomes a public company.

## **Known Trends, Events and Uncertainties**

### Valuation of Non-marketable Securities

Having clients that have made it through the process of becoming publicly traded companies and developed markets for their common stock underlies our ability to sell the shares we hold for cash. Our clients have experienced delays becoming publicly traded companies (see the discussion below under the heading "Revenue Recognition") and developing markets for their common stock. In addition, our clients have had a limited number of shares sold for cash to unrelated third parties relative to the number of shares we receive for services.

Historically, we have valued our shares at the price per share of contemporaneous sales of common stock by our clients to unrelated third parties which occurred at our first revenue recognition milestone, classified the shares as non-marketable securities, credited deferred revenue in an equal amount and recognized revenue related to the shares under our revenue recognition policy, discussed above under the heading "How We Generate Revenue", "*Management Consulting Services*". We received 500,000 shares of our clients' issued and outstanding common stock as part of our compensation for management consulting services prior to the first milestone, but we have since increased our stock

compensation to 1,250,000 shares. Also, the third-party sales prices and the length of time for a client to complete the process to become a public company and develop a market for its securities generally have increased in the last two years.

-13-

---



During the audit of fiscal 2007 we considered whether, in light of the changes in our business (discussed in the paragraph above), the clients' sales of shares at the first milestone was high enough in quantity compared to the number of shares we own at that time for us to use the third-party sales price to value our shares. When the clients' third party stock sales at the first milestone are not representative of the fair value of our shares, we will either obtain a third-party valuation of the stock or record the expected net realizable value of shares based on our historical business activity. When neither of these are available, the stock is recorded at \$-0-. We determined that the fair value of an aggregate of 5,500,000 shares of non-marketable securities of various clients were not supportable based on the third-party sales price because the number of shares we owned was significantly greater than the number of shares sold at that time. Accordingly, we recorded impairment of \$2,723,480 related to these securities. These clients are still actively engaged in the process of becoming public companies and have sold shares to unrelated third parties at prices ranging from \$0.50 per share to \$4.00 per share in relatively small offerings; therefore, the shares are recorded at \$-0- on our balance sheet. We will not assign any value to the shares until such time as a client has sold a sufficient number of shares to unrelated third parties in a reasonable period of time relative to the number of shares we receive for services or such time as we have a sufficient history of selling shares for cash in the market to use as a basis for valuing new client common stock. Until such time as a client's stock sales are high enough, or we obtain third-party valuations or develop a method of valuing new client shares based on our selling history, we initially will record only the cash portion of our client engagements, which will have a material adverse effect on our financial condition and result of operations until such time as we can sell the stock portion and record gains on the sale.

#### Marketing and Nevada Economic Development

Prior to fiscal 2007, we directed our marketing efforts to potential clients throughout the U.S. and in Canada. While we will continue to accept clients on a national and international basis, we believe that there are significant advantages to concentrating our marketing efforts in the State of Nevada. Further, we believe that supporting Nevada economic development based on the state's unique capital markets and business regulatory climate will drive business directly to us as well as have long term benefits for the state.

According to the Nevada Secretary of State, there are approximately 310,000 corporations domiciled in Nevada. During 2006, 41,083 corporations were formed in Nevada and 39,052 and 35,186 corporations were formed in Nevada during 2005 and 2004, respectively. We perceive Nevada as offering the following benefits:

- Favorable securities, corporate and tax laws and regulations for small businesses; and
- Large number of small businesses that could benefit from raising capital, expanding their business and growing nationally and internationally by successful entry and sustained participation in the public capital markets.

During fiscal 2007, we created the Nevada Economic Development Advisory Board (NEDAB), a council of prominent businesspeople and legislators who share a vision of diversified economic growth through capital marketing participation and are working with other businesses and the government to make that vision a reality. NEDAB believes that:

- Nevada has the potential to become the premier destination in the U.S. for small business issuers looking to enter the capital markets;
- Nevada corporations across a variety of industries can benefit from participating in the capital markets as a way to build long term shareholder value, provide access to capital, increase visibility and improve business practices to meet the standards of being a public company; and
- An increased number of Nevada corporations successfully entering and sustaining participation in the capital markets will create diversified economic growth, increase the number of companies that physically relocate to Nevada, create new jobs and increase revenue for the state.

Activities of NEDAB include:

- Outreach to other economic development groups, legislators, regulators, business owners, and business and industry leaders;
- Educational Programs for companies seeking to learn about capital markets and the advantages of domiciling in Nevada as a private or public company;
- Policy Research and Recommendations to make Nevada even more attractive as a home for companies wanting to participate in capital markets; and
- Locally-based Industry Screening Committees to help identify and screen companies that are good candidates for participation in the public markets.

-14-

---

We have significantly increased our public awareness and client base in the State of Nevada through the activities of NEDAB. For example, we ran six months of print advertisements in the *Nevada Business Journal* geared towards business professionals and reinforcing our position as an educational resource as well as a service provider. We believe that increased public awareness of our educational materials, services and Nevada roots could bring new resources and create jobs in Nevada as well as assist in turning Nevada into a platform to develop capital markets for small business issuers.

Our President, CEO and majority shareholder is a Nevada resident. He has a network of business contacts who can assist us in creating our public awareness in Nevada and assist us in the development of Nevada companies.

### Third-Party Financing

Although we offer a contract that allows a substantial portion of our fees to be paid in client stock, some growth stage companies that are ready and qualified to enter the capital markets are still reluctant to utilize cash in the process that could be used to fund their marketing or expansion of their operations. We believe that if our clients can obtain third-party project financing, it would increase our ability to sign new clients and shorten the amount of time it takes for us to sign a potential client after we first meet them.

We have established relationships with state and federal banks for them to offer our qualified clients loans up to \$250,000. The funds would be used to pay our management consulting and compliance services fees and other expenses related to the client becoming a fully reporting, publicly traded company and entering the capital markets. We are also in talks with a national bank to expand the project financing to include 48-hour approval on loans up to \$100,000 and to provide loans up to \$2 million for equipment, acquisitions, commercial real estate and other capital expenditures.

While this type of financing traditionally has been applied to property purchases, such as vehicles, equipment and real estate, it may work when applied creatively to the services industry.

### Client Progress Reports or Requests for Payment

We have been exploring ways to convey to each of our preexisting and new clients the value of the management consulting services that we provide to them in terms of estimated hours at our hourly rates throughout the entire process for them to become fully reporting, publicly traded companies. We have developed a list of tasks that reflect the activities that we typically perform during an engagement for each milestone on which we generate revenue from management consulting services. As discussed in more detail below, we are in the process of reviewing each client engagement to date to determine what we would have charged (in the case of performing clients) or what we may seek to recover (for slow performing or inactive clients) for our services on an hourly basis. We have decided to present this information in the form of a progress report for a performing client and a request for payment for a slow-performing or inactive client.

We began a project of reviewing our client contracts (some of which we had entered into as far back as 2004) to assess the value of management consulting services that we have provided on each engagement in terms of estimated hours at our hourly rates. The review consists of identifying the last milestone reached by each client, reviewing our files for each client, and reviewing each client's intranet and email communications between us and the client as well as various consultants that provided services to the client. During the review, we document the work, both within and outside of the scope of each engagement, in terms of estimated hours that we performed for the client. We initially based our estimates on a study that we conducted several years ago to assess the number of hours that it took to complete each milestone; however, in most cases, we determined that it was necessary to adjust that estimate upwards due to specifically identified delays related to a particular engagement and general changes in the statutory, regulatory and accounting environment that have occurred since the date of our study. As a result, we have determined that it takes

approximately 1,600 hours, rather than 1,100 hours to complete a management consulting services engagement.

-15-

---

We use the documentation to provide our performing clients with a progress report showing their current status in the process of becoming a fully reporting, publicly traded company and the value of our services as of the date of the report. In performing our reviews, we discovered that we had provided management consulting services with an estimated value of several hundreds of thousands of dollars on certain client engagements which we consider as slow performing or inactive. We have received a limited amount of cash from these engagements and hold (or are owed) shares of their common stock. These shares have become (or would be) worthless to us since our business model is driven by clients that have made it through the process of becoming fully reporting, publicly traded companies. We are using the documentation to provide our slow-performing and inactive clients with a request for payment for the value of our services and/or accelerate their active engagement in completing the milestones.

Providing progress reports and requests for payment is an ongoing process. We hope that the progress reports will keep our performing clients focused on their efforts to become fully reporting, publicly traded companies and that the requests for payment will reengage our slow-performing and inactive clients or serve as a basis for us to collect from or negotiate a settlement with them. However, there can be no assurance that we will achieve any of these results. As of the filing of this report, one of our clients refocused on the process of becoming publicly traded and renegotiated with us for six months of regulatory compliance services. In addition, we and one of our inactive clients have agreed to terms in principal regarding a settlement and mutual release where the client would pay us cash for services that they received from us.

#### Revenue Recognition

We have experienced delays in recognizing revenue from our contracts for management consulting services. Whether or not we meet the milestones for recognizing such revenue is dependent on the time it takes for our clients to make it through the process of becoming fully reporting, publicly traded companies. Our clients face obstacles in undertaking this process. The primary obstacles which they face relate to their ability to provide suitable non-financial statement information and financial statement information. In addition, some of our clients have experienced delays in reorganizing or restructuring their organizations to suit that of a public company and others have run out of financial resources due to unexpected events including the delays themselves.

Oftentimes the small, privately held companies that we service do not have personnel with the skills necessary to prepare audited financial statements suitable for filing with the SEC. Even when these companies have audited financial statements, generally, the financial statements do not comply with SEC regulations and/or the audit was not performed by an accounting firm that is registered with the PCAOB. The SEC has specific regulations that govern the form and content of and requirements for financial statements required to be filed with the SEC. The Sarbanes-Oxley Act of 2002 prohibits accounting firms that are not registered with the PCAOB from preparing or issuing audit reports on U.S. public companies and from participating in such audits. It is imperative that our clients' financial statements comply with SEC regulations and that they be audited by an accounting firm registered with PCAOB. In addition to audited financial statements, in certain circumstances, SEC regulations also require our clients to file unaudited interim financial statements that have been reviewed by the clients' PCAOB registered independent auditor. As discussed above, our clients have faced obstacles in preparing their financial statements.

During fiscal 2007, we continued to use audit coordinators in our business model to assist our clients in preparing their financial statements in compliance with SEC regulations. In many cases, we mandate that our clients engage an audit coordinator as a condition to contracting with us. Initially, an audit coordinator will interview a client's personnel, accounting systems and methodology, and financial records to determine their proficiency and level of adherence to accounting standards. If a client does not have suitable personnel, the audit coordinator will recommend early in the process that the client hire someone internally who can fulfill the client's accounting function. Audit coordinators also serve as a liaison between the client and their independent auditor during the audit or financial statement review process. Audit coordinators teach our clients how to accumulate and communicate financial information within their organizations' and record, process, summarize and report their financial information within

the time periods specified by the SEC.

-16-

---

## Technology

We are leading by example and pioneering the use of technology to manage our decentralized, virtual operational infrastructure under a program that we call Always-On Management™. The program addresses the challenges of using technology to manage a geographically disbursed team. While many of these technologies have been available for several years, the management practices around their use are typically not mature in small businesses like us outside of the technology industry. We believe that our use of these technologies allows us to better serve our clients and improve operational efficiency and profitability. We hope that our efforts will create publicity for us and provide additional management consulting services opportunities for us.

We aim to implement a web-based system for project planning and time tracking. As discussed above under the heading “Client Progress Reports or Requests for Payment”, we are placing more importance on keeping track of time allocation on client engagements in order to fully realize revenue for additional services provided to clients beyond the scope of our basic engagement. We expect that a web-based system will support our ongoing process of improving operational efficiency and profitability. The web-based interface will allow us and the professional service providers who serve our clients to track our time on client engagements. We also aim to integrate the system with our accounting system which we expect will accelerate our accounts receivable process for additional services which we can bill by the hour.

## **Results of Operations For The Year Ended September 30, 2007 Compared to the Year Ended September 30, 2006**

During fiscal 2007, we continued to focus on strategic initiatives relating to our business model, which included but are not limited to: expanding merit based compensation for our executive officers and other independent contractors, focusing on attracting better quality clients with larger annual revenue, improving the screening of new clients, revising our management consulting and regulatory compliance services contracts, evaluating new potential opportunities to provide these services, and continuing with the reevaluation of our client base with a renewed focus on their ability to become public companies. Now we generally require potential clients to have at least \$1 million in current annual revenue and high double-digit sales growth before we will enter an engagement with them. As a result, our newer client engagements are potentially more valuable, and we anticipate that they will have higher contract completion success rates; however, the frequency of newly signed contracts has decreased as a result of stricter screening criteria. We continue to use audit coordinators to assist our clients in preparing their financial statements which they need to reach milestones.

Our revenue decreased \$925,199, or 51%, to \$888,136 for fiscal 2007, as compared to \$1,813,335 for fiscal 2006. We generated most of our revenue from management consulting services. We accept restricted shares of common stock of our clients as the predominate portion of our fee for services. Historically, we have valued the shares at the price per share of contemporaneous sales of common stock by our clients to unrelated third parties, classified the shares as non-marketable securities, credited deferred revenue in an equal amount and recognized revenue related to the shares under our revenue recognition policy, discussed above under the heading “How We Generate Revenue”, “*Management Consulting Services*”. During the audit of fiscal 2007, we considered whether, in light of the changes in our business (discussed above under the heading “Known Trends, Events and Uncertainties”, “Valuation of Non-marketable Securities”), the clients’ sales of shares at the first revenue recognition milestone was high enough in quantity compared to the number of shares we own at that time for us to use the third-party sales price to value our shares. When the clients’ third party stock sales at the first milestone are not representative of the fair value of these shares, we will either obtain a third-party valuation of the stock or record the expected net realizable value of shares based on our historical business activity. When neither of these are available, the stock is recorded at \$-0-. We determined that the fair values of an aggregate of 5,500,000 shares of non-marketable securities of various clients were not supportable based on the third-party sales price because the number of shares we owned was significantly greater than the number of shares sold at that time. Accordingly, we recorded an impairment of \$2,723,480 related to these securities. As a

result, we are not recognizing revenue related to the shares of certain clients' common stock, which is the primary reason for our decrease in revenue for fiscal 2007.

General and administrative expense increased \$530,782, or 36%, to \$1,991,233 for fiscal 2007, as compared to \$1,460,451 for fiscal 2006. The increase in general and administrative expense was primarily due to an increase in marketing and promotions related to our efforts in Nevada and an increase in officer expenses related to shares of our common stock that we issued to our executive officers.

-17-

---



Bad debt expense decreased \$97,493, or 48%, to \$107,527 for fiscal 2007, as compared to \$205,020 for fiscal 2006. During fiscal 2007, we further evaluated our client base with a focus on their ability to make it through the process of becoming fully reporting, publicly traded companies, and, as a result, we determined that certain cash and stock receivables were uncollectible.

Depreciation and amortization expenses decreased \$12,436, or 29%, to \$30,165 for fiscal 2007, as compared to \$42,601 for fiscal 2006. The decrease in depreciation and amortization was primarily a result of having certain capitalized website costs becoming fully depreciated.

Total operating expenses increased \$420,853, or 25%, to \$2,128,925 for fiscal 2007, as compared to \$1,708,072 for fiscal 2006. The increase in total operating expenses was primarily attributable to the increase in general and administrative expense and bad debt expense.

Interest expense increased to \$65,887 for fiscal 2007, as compared to \$29,466 for fiscal 2006. The increase in interest expense was due to higher levels of debt. During fiscal 2007, Stephen Brock, our President, CEO and a director, loaned us \$300,000 which bore interest at a rate of 12% per year.

Interest income increased to \$1,827 for fiscal 2007, as compared to interest income of \$31 for fiscal 2006. The increase in interest income was due to higher levels of cash on hand.

We had an impairment of non marketable securities of \$305,270 in fiscal 2007 compared to \$0 in fiscal 2006. During the audit of fiscal 2007, we determined that the fair values of several non-marketable securities were not supportable and recognized impairment related to these securities.

Realized loss on sale of marketable securities increased to \$103,723 in fiscal 2007 from \$39,644 for fiscal 2006. The increase in realized loss on sale of marketable securities was due to the net declines in the market values of marketable securities that we sold.

Unrealized loss on marketable securities increased \$71,326, or 13%, to \$635,656 for fiscal 2007, as compared to \$564,330 for fiscal 2006. The increase in unrealized loss on marketable securities was primarily due to net declines in the market values of marketable securities we held on to.

We recorded a full valuation allowance against deferred tax assets for fiscal 2007 and fiscal 2006 because management believes it is more likely than not that deferred tax assets will not be realized.

We had a net loss of \$2,349,498 (and loss per share of \$0.09) for fiscal 2007, as compared to \$528,146 (and loss per share of \$0.02) for fiscal 2006. The increase in the net loss was primarily attributable a decrease in revenue and increases in total operating expenses, interest expense, realized loss on sale of marketable securities and unrealized loss on marketable securities.

We had an accumulated deficit of \$3,800,611 and total stockholders' equity of \$89,571 as of September 30, 2007.

### **Liquidity and Capital Resources**

We had total current assets of \$1,017,040 as of September 30, 2007, which consisted of cash of \$18,166, net accounts receivable of \$16,887 and marketable securities of \$981,987.

We had total current liabilities of \$2,006,642 as of September 30, 2007, which consisted of deferred revenues of \$1,099,967, accounts payable and accrued expenses to related parties of \$459,717, accounts payable and accrued expenses of \$385,244, bank lines of credit of \$38,281 and current portion of installment notes payable of \$23,433.



We had negative working capital of \$989,602 as of September 30, 2007. The ratio of current assets to current liabilities was 51% as of September 30, 2007.

The underlying driver which impacts our working capital is having clients that have made it through the process of becoming fully reporting, publicly traded companies and developed markets for their securities. Rather than charging clients cash payments at \$425 per hour, we offer them contracts with a fee structure consisting primarily of the client's stock and 19% to 22% cash. We are currently using cash collected from clients, sales of our client securities and net cash payments from Stephen Brock, our President, CEO, majority shareholder and a director, to cover our overhead.

Having clients that have made it through the process of becoming publicly traded also drives our ability to generate cash flows from operations. Until a client becomes a publicly traded company, there is no market for the shares of our clients' common stock which we receive in lieu of cash payments for our services. There is no assurance that a market will develop for these securities and, even if markets do develop, those markets will most likely be illiquid and highly volatile. See "Risk Factors", below.

The majority of our potential value is in the common stock we own of our clients. These shares are divided on our balance sheet into marketable securities (a current asset) and non-marketable securities. Until such time as our clients' common stock becomes publicly traded and there is evidence of a market in those securities to sustain sales of the shares that we hold, we classify non-marketable securities as a long-term asset; however, we classify deferred revenue associated with our contracts as a current liability. As a result, the common stock of any particular client will have a negative effect on our working capital until such time as the client becomes a fully reporting, publicly traded company and there is evidence that we could sell our shares in the market. Classifying non marketable securities as a long-term asset and deferred revenue as a current liability creates less working capital and a lower ratio of current assets to current liabilities than what they otherwise would be if deferred revenue was classified as a long-term liability. As our current clients reach milestones, we would recognize revenue and offset deferred revenues, which balance was \$1,099,967 as of September 30, 2007. As our clients become fully reporting, publicly traded companies and there is a market in which we could sell our shares, non-marketable securities, which balance was \$1,032,628 as of September 30, 2007, would become marketable securities. Both of these results would have a significant positive impact on our working capital; however, new client contracts would create additional non-marketable securities and deferred revenues which would offset such positive effect.

Historically, we have valued the shares of common stock that we received from clients at the price per share of contemporaneous sales of common stock by our clients to unrelated third parties which occurred at our first revenue recognition milestone, classified the shares as non-marketable securities, credited deferred revenue in an equal amount and recognized revenue related to the shares under our revenue recognition policy. We impaired the shares to zero when evidence suggested that the client would not move forward in the process to become a fully reporting, publicly traded company. During the audit of fiscal 2007, we considered whether, in light of the changes in our business (discussed above under the heading "Known Trends, Events and Uncertainties", "Valuation of Non-marketable Securities"), the clients' sales of shares at the first revenue recognition milestone was high enough in quantity compared to the number of shares we own at that time for us to use the third-party sales price to value our shares. When the clients' third party stock sales at the first milestone are not representative of the fair value of these shares, we will either obtain a third-party valuation of the stock or record the expected net realizable value of shares based on our historical business activity. When neither of these are available, the stock is recorded at \$-0-. We determined that the fair values of an aggregate of 5,500,000 shares of non-marketable securities of various clients were not supportable and recognized impairment of \$2,723,480 related to these securities. These clients are still actively engaged in the process and have sold shares to unrelated third parties at prices ranging from \$0.50 per share to \$4.00 per share in relatively small offerings; therefore, the shares are recorded at \$-0- on our balance sheet. See "Known Trends, Events and Uncertainties", "Valuation of Non-marketable Securities" for a complete discussion on how we will value the shares.

We also hold 10,001,230 shares of common stock of various clients that we impaired to zero under our former policy because evidence suggested that they would not move forward in the process to become fully reporting, publicly traded companies. We are trying to reengage them in the process, but there can be no assurance. We also hold 7,441,002 shares of marketable securities valued at \$981,987 as of September 30, 2007, which are reflected on our balance sheet.

-19-

---

During fiscal 2007, net cash increased \$7,123; consisting of \$771,988 provided by financing activities which was partially offset by \$759,671 used in operating activities and \$5,194 used in investing activities.

Net cash used in operating activities was \$759,671 for fiscal 2007, consisting of net loss of \$2,306,198 an increase in deferred revenue of \$414,772 and a decrease in accounts and stock receivable of \$94,673 which were offset by adjustments for depreciation and amortization of \$30,165, bad debt expense of \$107,527 and shares issued for services of \$468,209, decreases in marketable and non marketable securities of \$160,385 and other assets of \$6,428, and increases in accounts payable and accrued expenses to outside parties and related parties of \$258,209 and \$238,805, respectively.

Net cash used in investing activities was \$5,194 for fiscal 2007, which related to the purchase of fixed assets.

Net cash provided by financing activities was \$771,988 for fiscal 2007, consisting of proceeds from related party advances of \$1,197,224 by Stephen Brock, our President, CEO, majority shareholder and a director and a decrease in net payments on bank line of credit of \$618 which were offset by repayments of advances of \$397,991 to Mr. Brock and payments on installment notes payable of \$27,863.

We believe that we can meet our cash requirements during the next twelve months from sales of marketable securities, new clients, client milestone cash payments due, and certain capital raising efforts being undertaken. Further, in the past, Stephen Brock has provided personal capital funding to us. Mr. Brock has expressed his intent to continue to support our operations with additional funds in the event other outside funding sources or sales of marketable securities do not provide sufficient funds during the next twelve months; provided, however, that Mr. Brock is financially able to do so, of which there can be no assurance. During fiscal 2007, we began requiring potential clients generally to have at least \$1 million in current annual revenue and high double-digit sales growth before we will enter an engagement with them. We believe that these clients have a better chance of becoming public companies and developing markets for their common stock. We continued our efforts to collect cash payments owed to us from clients who we believe have breached our agreements. See the discussion under the heading "Client Progress Reports or Requests for Payment", discussed above. We plan to continue these efforts during the next twelve months. We are also considering an attempt to raise additional debt or equity capital from third parties. We do not have any firm commitments or other identified sources of additional capital from third parties or from our officers including Mr. Brock or from shareholders.

### **Critical Accounting Policies**

Our discussion and analysis of our financial condition and results of operations is based upon our financial statements, which have been prepared in accordance with accounting principals generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of any contingent assets and liabilities. On an on-going basis, we evaluate our estimates. We base our estimates on various assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our financial statements:

*Revenue Recognition.* Revenue is recognized when the earning process is complete and the risks and rewards of ownership have transferred to the customer, which is generally considered to have occurred upon performance of the services provided. Providing management consulting services may take several months. Effective with the second quarter ended March 31, 2005, we adopted a revenue recognition policy for management consulting services that we provide under the PCMC Roadmap™ based on the value received by our clients at measurable milestones in the public reporting process. We concluded that the relative values of our consulting services for each of the milestones are as follows: (i) initial analysis of client's business and operations and private round of initial financing from up to ten investors (20%), (ii) client's preparation of a second round of financing in the form of a private placement memorandum or a registration statement for filing with the SEC (20%), (iii) effectiveness of client's registration statement (25%) and (iv) client's qualification for quotation on the OTCBB or listing on a securities market or exchange (35%). During fiscal 2007, some of our clients expressed a need for immediate, seed-type capital from one to three potential investors prior to conducting the private offering of initial financing from up to ten investors. We identified this as a measurable milestone the public reporting process. We estimated that the value of the services we provide for this purpose is approximately 10% of the total contract. Accordingly, effective October 1, 2007, we revised our revenue recognition policy to bifurcate the first milestone in the event we provide management consulting services to a client under the PCMC Roadmap™ to raise seed-type capital, otherwise we continue to recognize the full 20% for the first milestone after we perform services for the private round of initial financing from up to ten investors. Revenues are not recognized for the value of securities received as payment for services when there is no public trading market and there have been no recent private sales of the security.

If we find that the relative amount of man hours and other expenditures required by us has materially changed for one or more of the milestones and that this change is of such a nature that it would likely also be incurred by our competitors in the marketplace or would change the relative value received by the clients for that milestone, it could warrant changing the percentages prospectively. As of the period covered by this report, we had deferred revenues of \$1,099,967, which were subject to changes in the percentage revenue earned for the remaining milestones.

*Valuation of marketable securities.* Marketable securities are classified as trading securities, which are carried at their fair value based upon quoted market prices of those securities at each period-end. Accordingly, net realized and unrealized gains and losses on trading securities are included in net income. The marketable securities that we hold are traded on the OTCBB. The market price for these securities is subject to wide fluctuations from period to period which may cause fluctuations in our net income.

*Valuation of non-marketable securities.* Non-marketable securities are not publicly traded and therefore do not have a readily determinable fair value. Non-marketable securities are reflected on our balance sheet at historical cost. As of September 30, 2007, we had non-marketable securities valued at \$1,032,628 as a result of third party private sales of common stock by one of our clients at \$0.20 per share and another client at \$0.70 per share. As our clients become fully reporting, publicly traded companies and there is evidence of a market in those securities to sustain sales of the shares that we hold, non-marketable securities would become marketable securities which are carried at their fair value based upon quoted market prices of those securities at each period-end. During the audit of fiscal 2007, we considered whether, in light of the changes in our business (discussed above under the heading "Known Trends, Events and Uncertainties", "Valuation of Non-marketable Securities"), the clients' sales of shares at the first revenue recognition milestone was high enough in quantity compared to the number of shares we own at that time for us to use the third-party sales price to value our shares. When the clients' third party stock sales at the first milestone are not representative of the fair value of these shares, we will either obtain a third-party valuation of the stock or record the expected net realizable value of shares based on our historical business activity. When neither of these are available, the stock is recorded at \$-0-. During the audit of fiscal 2007, we determined that the fair values of an aggregate of 5,500,000 shares of non-marketable securities of various clients were not supportable based on the third-party sales price because the number of shares we owned was significantly greater than the number of shares sold at that time. Accordingly, we recorded impairment of \$2,723,480 related to these securities. Due to the uncertainty inherent in valuing securities that are not publicly traded, our determinations of fair value of non-marketable securities may differ

significantly from the values that would exist if a ready market for these securities existed; therefore, the value of securities we hold as non-marketable securities could be significantly different than their value as marketable securities.

-21-

---

## **Risk Factors**

### **Risks Related to Our Business**

***A significant portion of our revenue and earnings consist of securities that are not freely transferable.***

We accept the predominate portion of our fee for management consulting and compliance services in the form of shares of our clients' common stock which do not have a market. We accept this as a form of payment because our clients are small privately held businesses that do not otherwise have the cash to pay for our services at the customary rate of \$425 per hour. There is no assurance that a market will develop for these securities or, if one does develop, that it would be characterized by liquidity and stability. In addition, such securities are "restricted securities" as that term is defined in Rule 144 under the Securities Act of 1933 and are not freely transferable without registration or an exemption from registration. We may be unable to sell or distribute such securities at the times we would like if at all.

***A significant portion of our assets consists of stock issued by small, unproven issuers.***

Our clients are primarily small companies and are subject to all of the risks of small businesses. They frequently depend on the management talents and efforts of one person or a small group of persons for their success, and the death, disability or resignation of one or more of these persons could have a material adverse impact on our clients and their ability to become public companies. In addition, small businesses often have narrower product lines and smaller market shares than their competition. Such companies may also experience substantial variations in operating results. These companies may be more vulnerable to customer preferences, market conditions or economic downturns. We rely on the diligence of our management team to obtain information and assess the suitability of potential clients to make it through the process of becoming fully reporting, publicly traded companies. Our management team, however, cannot eliminate the risk that our clients may be unable to make it through the process or pay our fees or the risk that the securities we receive may have no value when we are able to dispose of them.

***Registration of securities and clearance for quotation are subject to delays and other factors that are beyond our control.***

Our services relate primarily to advice and consulting relating to the registration of securities for self-distribution by our clients and admission of our client's securities to trading on a public market and our revenue and cash flow from operations is contingent upon these events. Registration of securities is subject to review and approval by the SEC and clearance for securities to be quoted and traded is subject to review and approval by the NASD. Such review and approval may result in delays that could adversely affect the recognition of revenue from management consulting services or cash flows from the sale of marketable securities.

***Valuation of privately held common stock is subject to uncertainty.***

The shares of common stock of clients that we receive for our services are valued using a fair value determination made in good faith in accordance with our established guidelines. Historically, the fair value of the common stock was based on contemporaneous third-party private sales. These sales ranged from \$0.20 to \$0.70 per share. These prices are arbitrarily determined by our clients' management and bear no relationship to our clients' assets, earnings or book value, or any other objective standard of value. Due to the uncertainty inherent in valuing securities that are not publicly traded, our determinations of fair value may differ significantly from the values that would exist if a ready market for these securities existed. The value of securities we hold as non-marketable securities could be significantly different than their value as marketable securities.

During fiscal 2007, we considered whether, in light of the changes in our business, the clients' sales of shares at the first revenue recognition milestone was high enough in quantity compared to the number of shares we own at that time



for us to use the third-party sales price to value our shares. When the clients' third-party stock sales at the first milestone are not representative of the fair value of these shares, we will either obtain a third-party valuation of the stock or record the expected net realizable value of shares based on our historical business activity. When neither of these are available, the stock is recorded at \$-0-. See the discussion under the heading "Known Trends, Events and Uncertainties," "Valuation of Non-marketable Securities."

-22-

---

***We depend on the personal efforts of our executive management team.***

Our success depends upon the personal efforts of Mr. Stephen Brock, our President and CEO, Trae O'Neil High our Chief Legal Officer (or CLO), Treasurer and CFO and Kipley J. Lytel, our Secretary and COO. We have entered into one-year agreements with Messrs. High and Lytel; however, these agreements generally may be terminated by them upon thirty days' written notice. We have not obtained any key man life insurance relating to our executive officers. If we lose their services, such loss could have a material adverse effect on our business and the results of operations and/or financial condition. In addition, the absence of any one of them will force us to seek a replacement who may have less experience or who may not understand our business as well as, or we may not be able to find a suitable replacement.

***We may be required to register as an Investment Company under the Investment Company Act of 1940.***

We believe that we are primarily engaged in the business of providing management consulting and compliance services and that our acquisition and ownership of restricted securities of our clients is an incidental and necessary result of our business operations. We have entered into discussions with the staff of the SEC and are exploring ways to hold and dispose of client securities in a manner consistent with our business needs and the concerns of the staff. If the SEC determines that we are an investment company, we would be required to register under the Investment Company Act of 1940 (the "1940 Act") and would become subject to regulatory provisions that are generally considered to be inconsistent with the conduct of a non-investment company business. These include requirements as to the composition of our board of directors, prohibitions on our transactions with directors, officers and controlling stockholders and limitations on the kinds of securities we may issue and the prices at which and manner in which we may sell or repurchase them. There can be no assurance that the SEC will not require us to register under the 1940 Act, or, if we are required to do so, that we will be able to complete the registration process in a timely manner, if at all, or at an acceptable cost.

**Risk Related To Ownership of Our Common Stock**

***The trading price for our common stock has been and may continue to be volatile.***

The trading price of our common stock has been volatile since it began trading and will likely continue to be volatile. The trading price of our common stock may fluctuate widely in response to various factors, some of which are beyond our control. These factors include:

- Quarterly variations in our results of operations or those of our competitors;
- Announcements by us or others about our business, development, significant contracts or results of operations or other matters;
- The volume of shares of common stock available for public sale;
- Sales of stock by our stockholders;
- Short sales, hedging and other derivative transactions on shares of our common stock; and
- General economic conditions and slow or negative growth of related markets

In addition, the stock market in general, and the market for management consulting services firms in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. These broad market and industry factors may seriously harm the market price of our common stock, regardless of our actual operating performance. In the past, following periods of volatility in the overall market and the market price of a company's securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources.



***Because our common stock is considered a penny stock, any investment in our common stock is considered a high-risk investment and is subject to restrictions on marketability; you may be unable to sell your shares.***

Our common stock is subject to the penny stock rules adopted by the SEC that require brokers to provide extensive disclosure to their customers prior to executing trades in penny stocks. These disclosure requirements may cause a reduction in the trading activity of our common stock, which in all likelihood would make it difficult for our shareholders to sell their securities.

***We do not anticipate dividends to be paid on our common stock and investors may lose the entire amount of their investment.***

A dividend has never been declared or paid in cash on our common stock and we do not anticipate such a declaration or payment for the foreseeable future. We expect to use future earnings, if any, to fund business growth. Therefore, stockholders will not receive any funds absent a sale of their shares. We cannot assure stockholders of a positive return on their investment when they sell their shares nor can we assure that stockholders will not lose the entire amount of their investment.

***Our President and CEO owns a majority of the voting power of our common stock which will limit your ability to influence corporate matters.***

Mr. Stephen Brock is our President and CEO and a director. He beneficially owns 67.3% of the voting power of our outstanding common stock. As a result, he effectively controls all matters requiring director and stockholder approval, including the election of directors and the approval of significant corporate transactions, such as mergers and related party transaction. He also has the ability to block, by his ownership of our stock, an unsolicited tender offer. Mr. Brock's control limits your ability to influence corporate matters and, as a result, we may take actions that our stockholders do not view as beneficial. Mr. Brock's interests may conflict with or be adverse to the interests of our other stockholders. Since Mr. Brock beneficially owns more than a majority of the voting power of all issued and outstanding shares of our stock, the other stockholders will not be able to remove or replace Mr. Brock, elect directors or officers, or cause us to engage in any transactions without his consent even if they believe that it is in our best interests to do so. As a result of these factors, the market price of our common stock could be adversely affected.

**Item 7. Financial Statements.**

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders  
Public Company Management Corporation  
Las Vegas, Nevada

We have audited the accompanying consolidated balance sheets of Public Company Management Corporation (PCMC) as of September 30, 2007 and 2006, and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of PCMC's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform each audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of PCMC as of September 30, 2007 and 2006 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Malone & Bailey, PC  
[www.malone-bailey.com](http://www.malone-bailey.com)  
Houston, Texas

December 19, 2007

PUBLIC COMPANY MANAGEMENT CORPORATION  
CONSOLIDATED BALANCE SHEETS  
September 30, 2007 and 2006

	2007	2006
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 18,166	\$ 11,043
Accounts receivable, net	16,887	41,741
Marketable securities	981,987	933,352
Other current assets	-	6,428
Total current assets	1,017,040	992,564
Receivables under contract, net	16,500	4,500
Non-marketable securities	1,032,628	3,965,128
Furniture and equipment, net	39,412	52,625
Website, net	-	11,758
<b>TOTAL ASSETS</b>	<b>\$ 2,105,580</b>	<b>\$ 5,026,575</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 385,244	\$ 155,860
Accounts payable and accrued expenses to related parties	459,717	248,012
Current portion of installment notes payable	23,433	30,347
Bank line of credit	38,281	37,663
Advances from related party	-	220,424
Deferred revenues	1,099,967	3,408,675
Total current liabilities	2,006,642	4,100,981
<b>LONG TERM LIABILITIES</b>		
Long-term portions of installment note payable	9,367	30,316
<b>TOTAL LIABILITIES</b>	<b>2,016,009</b>	<b>4,131,297</b>
Commitments and Contingencies	-	-
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, \$.001 par value; 50,000,000 shares authorized, 28,099,316 and 23,654,412 shares issued and outstanding, respectively	28,099	23,654
Paid-in-capital	3,862,083	2,322,737
Accumulated deficit	(3,800,611)	(1,451,113)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>89,571</b>	<b>895,278</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 2,105,580</b>	<b>\$ 5,026,575</b>

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

PUBLIC COMPANY MANAGEMENT CORPORATION  
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Years Ended September 30,	
	2007	2006
Revenue	\$ 888,136	\$ 1,813,335
General and administrative	1,991,233	1,460,451
Bad debt expense	107,527	205,020
Depreciation and amortization	30,165	42,601
Total operating expenses	2,128,925	1,708,072
Net income (loss) from operations	(1,240,789)	105,263
Other income and (expense)		
Impairment of non-marketable securities	(305,270)	-
Interest expense	(65,887)	(29,466)
Interest income	1,827	31
Realized loss on sale of marketable securities	(103,723)	(39,644)
Unrealized holding loss on marketable securities	(635,656)	(564,330)
Total other income (expense)	(1,108,709)	(633,409)
NET LOSS	\$ (2,349,498)	\$ (528,146)
Weighted average shares outstanding	24,949,100	23,130,166
Basic and diluted net loss per share	\$ (0.09)	\$ (0.02)

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

PUBLIC COMPANY MANAGEMENT CORPORATION  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Years Ended September 30,	
	2007	2006
<b>Cash Flows From Operating Activities</b>		
Net loss	\$ (2,349,498)	\$ (528,146)
<b>Adjustments to reconcile net loss to net cash used in operating activities:</b>		
Depreciation and amortization	30,165	42,601
Bad debt expense	107,527	205,020
Stock issued for services	468,209	369,835
<b>Changes in:</b>		
Marketable and non marketable securities	160,385	(2,555,695)
Accounts and stock receivable	(94,673)	155,695
Notes receivable	-	56,500
Other assets	6,428	(7)
Accounts payable and accrued expenses	258,209	(57,338)
Accrued expenses to related parties	238,805	248,012
Deferred revenue	414,772	1,928,475
<b>Net Cash Used in Operating Activities</b>	<b>(759,671)</b>	<b>(135,048)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of furniture and equipment	(5,194)	-
<b>Cash Flows From Financing Activities</b>		
Net payments on bank line of credit	618	(2,038)
Payments on installment notes payable	(27,863)	(28,156)
Repayment of advances from related party	(397,991)	-
Advances from related party	1,197,224	136,224
<b>Net Cash Provided by Financing Activities</b>	<b>771,988</b>	<b>106,030</b>
<b>Net decrease in cash</b>	<b>7,123</b>	<b>(29,018)</b>
<b>Cash at beginning of period</b>	<b>11,043</b>	<b>40,061</b>
<b>Cash at end of period</b>	<b>\$ 18,166</b>	<b>\$ 11,043</b>
<b>Cash paid during the year for:</b>		
Interest	\$ 65,887	\$ 29,466
Income taxes	-	-
<b>Non-cash investing and financing activities:</b>		
Conversion of related party debt with common stock	\$ 1,019,657	\$ -
Impairment of non-marketable securities and deferred revenue	2,723,480	-
Shares issued for accrued compensation	55,925	-



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

PUBLIC COMPANY MANAGEMENT CORPORATION  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

For the Years Ended September 30, 2007 and 2006

	COMMON STOCK		PAID IN CAPITAL		ACCUMULATED DEFICIT	TOTALS
	COMMON SHARES	STOCK AMOUNT				
Balance at September 30, 2005	22,553,171	\$ 22,553	\$ 1,954,003	\$ (922,967)		1,053,589
Stock issued for services	1,101,241	1,101	368,734			369,835
Net loss				(528,146)		(528,146)
Balance at September 30, 2006	23,654,412	\$ 23,654	\$ 2,322,737	\$ (1,451,113)		895,278
Stock issued for:						
Services	3,231,193	3,231	464,978			468,209
Prior year accrued compensation	194,054	194	55,731			55,925
Debt conversion-related party	1,019,657	1,020	80,553			81,573
Deemed contribution to capital from gain on related party debt conversion			938,084			938,084
Net loss				(2,349,498)		(2,349,498)
Balance at September 30, 2007	28,099,316	\$ 28,099	\$ 3,862,083	\$ (3,800,611)		89,571

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

PUBLIC COMPANY MANAGEMENT CORPORATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Public Company Management Corporation ("PCMC"), a Nevada corporation, was formed on October 26, 2000. On October 1, 2004, PCMC and its subsidiaries merged with a public company, MyOffiz, Inc., in a transaction accounted for as a reverse merger. Subsequent to the exchange agreement, MyOffiz obtained 100% of GPT, changed its fiscal year end from June 30 to September 30, and changed its name to Public Company Management Corporation.

*Principles of consolidation.* All subsidiaries are presented on a consolidated basis. All intercompany transactions have been eliminated.

These entities were formed to provide management consulting and regulatory compliance services to small businesses seeking to create long-term value by participating in public capital markets. Pubco WhitePapers™ hosts a comprehensive body of knowledge on private and public equity markets. GoPublicToday™ provides consulting services and advice to companies seeking to go public. Public Company Management Services™ provides regulatory compliance services and advice to new and existing public companies in connection with periodic and other reporting to the SEC and corporate governance matters.

*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, liabilities, revenues and expenses, as well as certain financial statement disclosures. While management believes that the estimates and assumptions used in the preparation of the financial statements are appropriate, actual results could differ from these estimates.

*Cash Equivalents.* Highly liquid investments with original maturities of three months or less are considered cash equivalents.

*Marketable Securities.* Marketable securities are comprised of equity securities and are classified as trading securities, which are carried at their fair value based upon quoted market prices of those investments at each period-end. Accordingly, net realized and unrealized gains and losses on trading securities are included in net income.

*Non-Marketable Securities.* Non-marketable securities are comprised of equity securities that do not have a readily determinable fair value (i.e. not traded on a quoted exchange). Non-marketable securities are accounted for under the cost method. Historically, PCMC has valued the shares of common stock received from new clients at the price per share of contemporaneous sales of common stock by the client to unrelated third parties which occurred at the first revenue recognition milestone (discussed below), classified the shares as non-marketable securities, credited deferred revenue in an equal amount and recognized revenue related to the shares under the revenue recognition policy.

During fiscal 2007, PCMC considered whether, in light of changes in its business, the clients' sales of shares at the first revenue recognition milestone was high enough in quantity compared to the number of shares PCMC owns at that time for it to use the third-party sales price to value its shares. When the clients' third party stock sales at the first milestone are not representative of the fair value of these shares, PCMC will either obtain a third-party valuation of the stock or record the expected net realizable value of shares based on PCMC's historical business activity. When neither of these are available, the stock is recorded at -\$-0-. PCMC will not assign any value to the shares until such time as a client has sold a sufficient number of shares to unrelated third parties in a reasonable period of time relative to the number of shares PCMC receives for services or such time as PCMC has a sufficient history of selling shares for cash in the market to use as a basis for valuing new client common stock.

During fiscal 2007, it was determined that the fair values of several non-marketable securities were not supportable. Accordingly, PCMC recorded impairment of \$2,723,480 related to these securities.

Non-marketable securities are periodically reviewed to determine if their value should be impaired from their initial issuance based on, but not limited to, subsequent third party private sales and liquidity of the underlying client company.

*Revenue Recognition.* PCMC is primarily engaged in educating and assisting companies to improve their business, management and regulatory compliance processes and ultimately to become fully reporting public companies with their securities quoted and traded. PCMC's services assist small, privately held, businesses create long-term value for their shareholders and partners by obtaining and maintaining access to the public capital markets. PCMC generates revenues primarily from two sources: (a) management consulting services related to assisting small, privately held companies with the registration of securities and admission of securities to trading on the Over the Counter Bulletin Board or other securities market, and (b) regulatory compliance services for clients trading on Over the Counter Bulletin Board or other securities market.

*Consulting Revenues.* PCMC enters into management consulting services contracts with each of its clients and collects a combination of cash and common stock for its services. The value of the common stock generally represents the predominate portion of the total value of the contract. The common stock portion of the contract is generally due upon signing the contract and the cash portion is due in installments immediately prior to the achievement of milestones.

Providing management consulting services under the contracts may take several months or even years. Effective with the second quarter ended March 31, 2005, PCMC adopted a revenue recognition policy for management consulting services based on the value received by PCMC's clients at measurable milestones in the public reporting process. PCMC concluded that the relative values of its consulting services for each of the milestones are as follows: (i) initial due diligence of client's business and operations and private round of initial financing to up to ten investors (20%), (ii) client's preparation of a second round of financing in the form of a private placement memorandum or a registration statement for filing with the United States Securities and Exchange Commission (20%), (iii) effectiveness of client's registration statement (25%) and (iv) client's qualification for quotation on the Over the Counter Bulletin Board or listing on a securities market or exchange (35%). During fiscal 2007, PCMC clients expressed an interest in obtaining immediate, seed-type capital from one to three potential investors prior to conducting the private offering of initial financing from up to ten investors for which PCMC normally recognizes 20%. PCMC estimated that the value of the services provided for this purpose is approximately 10% of the total contract. Effective October 1, 2007, PCMC revised its revenue recognition policy to bifurcate the first milestone in the event PCMC also provides management consulting services under contract to a client to raise seed-type capital from one to three investors otherwise PCMC continues to recognize 20% for services provided for the first milestone.

Cash and common stock received in advance of services are recorded as deferred revenues.

Revenues are not recognized for the value of securities received as payment for services when there is no public trading market and there is no available way to obtain the fair value of the shares received.

If PCMC finds that the relative amount of man hours and other expenditures required by it has materially changed for one or more of the milestones and that this change is of such a nature that it would likely also be incurred by PCMC's competitors in the marketplace or would change the relative value received by PCMC's clients for that milestone, it could warrant changing the percentages prospectively.

PCMC also charges its clients for a broad range of value-added management consulting services that it provides on an hourly basis. PCMC may receive payment in the form of cash or additional client stock for time delays caused by the client or additional management consulting services outside of the scope of the contract that the client may ask PCMC to perform.

*Compliance Revenues.* Under the terms of the consulting contracts described above, clients are required to retain PCMC's compliance services for a one-year period after going public. PCMC recognizes compliance revenues when services are performed.

*Accounts Receivable.* Accounts receivable are stated at the cash amount PCMC expects to collect. PCMC maintains allowances for doubtful accounts for estimated losses resulting from the inability of its clients to make required payments. Management considers the following factors when determining the collectibility of specific customer accounts: client credit-worthiness, past transaction history with the client, and changes in client payment terms. If the financial condition of PCMC's clients were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, PCMC provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after PCMC has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

*Stock Receivable.* Stock receivable represents the value of client common shares owing to PCMC under the terms of its consulting contracts. PCMC maintains allowances for doubtful accounts for the value of shares it considers uncollectible.

*Capitalized website costs.* The website capitalized costs consisted of amounts spent on design and creation of the graphics and website operation and were amortized on a straight-line basis over their estimated useful lives of three years. Amounts spent on early conceptualizing, maintenance or content are expensed as incurred. Amortization expense totaled \$11,758 and \$25,429 in fiscal 2007 and 2006, respectively, and all capitalized amounts had been amortized as of September 30, 2007.

*Long-lived Assets.* Property and equipment are stated on the basis of historical cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Impairment losses are recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated by those assets are less than the assets' carrying amount. No impairment losses have been recorded since inception.

*Income Taxes.* U.S. and foreign income tax expense is based on reported earnings before income taxes. Deferred income taxes reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and such amounts recognized for tax purposes, and are measured by applying enacted tax rates in effect in years in which the differences are expected to reverse.

*Stock based compensation.* PCMC follows Financial Accounting Standard No. 123R, "Accounting for Stock-Based Compensation" established for financial accounting and reporting standards for stock-based employee compensation plans. It defines a fair value based method of accounting for an employee stock option or similar equity instrument. PCMC follows EITF 96-18 for stock issued to non-employees for goods or services.

*Recent Accounting Pronouncements.* PCMC does not expect the adoption of recently issued accounting pronouncements to have a significant impact on its results of operations, financial position or cash flow.

## NOTE 2 - LIQUIDITY

As shown in the accompanying financial statements, PCMC incurred losses from operations and had negative cash flows from operations during fiscal 2007. Additionally, PCMC has experienced delays with some of its clients going public, which delays PCMC's ability to realize value from its non-marketable equity securities. Stephen Brock, President, CEO and majority shareholder, has historically loaned money to PCMC and has committed to continue to loan money to PCMC should PCMC not be able to otherwise fund its working capital requirements.

## NOTE 3 - MARKETABLE SECURITIES

Marketable securities primarily include securities issued by current or former clients valued at market price.

The composition of marketable securities, classified as current assets, was as follows at September 30, 2007 and 2006:

	2007	2006
Marketable Securities		
Cost	\$ 1,601,468	\$ 1,126,564
Fair Value	\$ 981,987	\$ 933,352

Investment losses for fiscal 2007 and 2006 consists of the following:

	2007	2006
Gross realized gains from sales of trading securities	\$ 4,390	\$ 72
Gross realized losses from sales of trading securities	(108,113)	(39,716)
Net unrealized holding losses	(635,656)	(564,330)
Net investment loss	\$ (739,379)	\$ (603,974)

## NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at September 30, 2007 and 2006:

	Estimated Useful Life	2007	2006
Vehicle	5 Years	\$ 61,938	\$ 61,938
Office furniture and fixtures	7 years	15,086	15,086
Office computers and equipment	3 years	27,736	22,542
Total Property and Equipment		104,760	99,566
Less: Accumulated Depreciation		(65,349)	(46,941)
Net Property and Equipment		\$ 39,412	\$ 52,625

Depreciation expense totaled \$18,407 and \$17,172 for the years ended September 30, 2007 and 2006, respectively.

## NOTE 5 - BANK LINE OF CREDIT

As of September 30, 2007 and 2006, PCMC had the following bank line of credit:

	Line of Credit Amount	Outstanding as of September 30, 2007	Outstanding as of September 30, 2006	Interest Rate	Due Date
Wells Fargo Bank	\$ 40,000	\$ 38,281	\$ 37,663	16.25%	On Demand

## NOTE 6 - NOTE PAYABLE

Long-term debt as of September 30, 2007 and 2006 consisted of the following:

	2007	2006
Note payable to Bank of America, with payments of \$1,087 per month, bearing interest at 10.25% per annum, unsecured. The interest rate and monthly payment are subject to change based on changes in the Prime Rate. Based on the current interest rate, the Note will mature in June 2009.	\$ 20,813	31,150
Loan payable to Infiniti Financial Services, with payments of \$1,510 per month, bearing interest at 2.9% per annum, secured by a company vehicle. The loan matures in June 2008.	11,986	29,513
	32,799	60,663
Less: Current portion	23,432	30,347
Total Long-Term Debt	\$ 9,367	\$ 30,316

Maturities of debt over the next two years are as follows:

Twelve Months Ending September 30,	Amount
2008	\$ 23,432
2009	9,367
Total Long-Term Debt	\$ 32,799

## NOTE 7 - INCOME TAXES

PCMC had deductible net operating losses of approximately \$1,954,000 at September 30, 2007. These expire 20 years after incurred. Components of deferred tax assets and liabilities at September 30, 2007 and 2006 are as follows:

	2007	2006
Deferred tax asset-net operating loss carry-forwards	\$ 739,000	\$ 124,000
Valuation allowance	(739,000)	(124,000)
Net deferred tax asset	\$ -	\$ -

PCMC has recorded a full valuation allowance against its deferred tax asset since it believes it is more likely than not that such deferred tax assets will not be realized.





## NOTE 8 - COMMON STOCK

During the year ended September 30, 2007, PCMC issued the following shares for services in each quarter.

Quarter	Shares Issued	Price Range of Shares	Total Expense Recognized
October, 2006 – December, 2006	217,500	\$ 0.13 - \$0.42	\$ 54,613
January, 2007 – March, 2007	789,050	\$ 0.16 - \$0.30	177,994
April, 2007 – June, 2007	1,997,500	\$ 0.07 - \$0.15	218,700
July, 2007 – September, 2007	227,143	\$ 0.07 - \$0.09	16,902
Totals	3,231,193	\$ 0.12 - \$0.90	\$ 468,209

During fiscal 2007, PCMC also issued 194,054 shares of common stock valued at \$55,925 for services received and accrued for in fiscal 2006.

On September 28, 2007, PCMC entered into an agreement with Stephen Brock converting loans he had made to PCMC totaling \$1,019,657 into 1,019,657 shares of PCMC common stock. The fair value of the shares was \$81,573. PCMC recognized a gain on the transaction of \$938,084. Because Stephen Brock is a related party, the gain was recorded as a deemed contribution to capital.

At September 30, 2007, PCMC accrued \$69,070 in consulting services payable in 433,776 shares of PCMC common stock, which is included in accounts payable and accrued expenses on the balance sheet.

During fiscal 2006, PCMC issued the following shares for services in each quarter.

Quarter	Shares Issued	Price Range of Shares	Total Expense Recognized
October, 2005 – December, 2005	80,000	\$ 0.61 - \$0.90	\$ 64,250
January, 2006 – March, 2006	538,000 <sup>(1)</sup>	\$ 0.33 - \$0.52	195,725
April, 2006 – June, 2006	370,741	\$ 0.12 - \$0.31	87,635
July, 2006 – September, 2006	112,500	\$ 0.13 - \$0.26	22,225
Totals	1,101,241 <sup>(1)</sup>	\$ 0.12 - \$0.90	\$ 369,835

(1) Includes an additional 80,000 shares that were issued to satisfy previous obligations of the prior company that PCMC merged into in October 2004. These shares were accounted for as an adjustment to the original recapitalization accounting with no assigned valuation.

At September 30, 2006, PCMC accrued \$39,451 in consulting services payable in 114,054 shares of PCMC common stock, which is included in accounts payable and accrued expenses on the balance sheet.

-36-

---

## NOTE 9 - CONCENTRATIONS

During fiscal 2007, one client accounted for approximately 32% of total revenues, a second accounted for approximately 15% of total revenues, a third accounted for approximately 14% of total revenues and a fourth accounted for approximately 11% of total revenues. During fiscal 2006, one client accounted for approximately 35% of total revenues and a second accounted for approximately 11% of total revenues. No other customer accounted for more than 10% during either year.

## NOTE 10 - RELATED PARTY TRANSACTIONS

PCMC was provided office space by its founder President, CEO and majority shareholder at no cost on a month-to-month basis. During fiscal 2007 and 2006, the space was provided at no cost.

As described more fully in Notes 2 and 8 above, Stephen Brock has loaned PCMC money for its operations. On September 28, 2007, Stephen Brock entered into an agreement with PCMC converting loans he had made to PCMC totaling \$1,019,657 into 1,019,657 shares of PCMC common stock.

Loans as of September 28, 2007, consisted of the following:

Note payable to Stephen Brock, dated September 30, 2006, payable in monthly payments of \$4,864 including interest at 12% due September 30, 2011	\$ 186,131
Note payable to Stephen Brock, dated November 15, 2006, payable in monthly payments of \$3,601 including interest at 12% due November 15, 2021	293,717
Advances to PCMC as of September 28, 2007	539,809
<b>Total loans to PCMC</b>	<b>\$ 1,019,657</b>

During the year, PCMC accrued \$15,000 per month (or an aggregate of \$180,000) of compensation to Mr. Brock and issued him 1,750,000 shares of PCMC common stock valued at \$192,500. No cash compensation was paid to Mr. Brock during fiscal 2007.

During fiscal 2007, PCMC made cash payments of \$8,207 to its Chief Operating Officer and issued him 205,000 shares of PCMC common stock valued at \$32,975. As of September 30, 2007, PCMC had accounts payable of \$10,983 to this officer and he was due 190,000 shares of PCMC common stock valued at \$29,735 pursuant to the agreement between him and PCMC.

During fiscal 2007, PCMC made cash payments of \$124,500 to its Chief Legal and Financial Officer for services rendered to PCMC and PCMC's client on its behalf and issued him 134,054 shares of PCMC common stock valued at \$25,125. As of September 30, 2007, PCMC had accounts payable of \$62,448 to this officer and he was due 193,776 shares of PCMC common stock valued at \$29,535 pursuant to the agreements between him and PCMC.

NOTE 11 – EMPLOYMENT AGREEMENTS

On April 12, 2007, PCMC revised its written agreements with two of its consultants who serve as executive officers. The agreements provide for a minimum annual salary (adjustable upwards in some cases based on PCMC's performance) to be paid in cash and stock. On May 3, 2007, PCMC and one of the executive officers amended the agreement between them to increase the cash compensation and provide for a client stock incentive due to increased responsibilities taken on by the executive as a result of the resignation of another executive (discussed below). At September 30, 2007, the minimum total future commitment due under both agreements and the amendment was cash compensation of \$102,000, stock compensation of 180,000 registered shares, and signing bonuses of 50,000 registered shares. The executives are also entitled to receive restricted and registered shares of PCMC's common stock based on certain milestones as provided in the agreements. Under the amendment, one of the executives is entitled to receive a client stock incentive consisting of 4% of PCMC's marketable securities as of March 31, 2007, and, on the date that the following securities become quoted or listed for trading, 4% of PCMC's non-marketable securities as of March 31, 2007 and 4% of the securities that PCMC receives from each client after March 31, 2007, provided that the executive is providing services to PCMC at the time of such quotation or listing. As of September 30, 2007, the shares had not been transferred to the officer. The value of the shares owed was \$43,325. PCMC has reduced its marketable securities by this amount.

In May 2007, an executive officer resigned and his one-year employment contract which had begun on November 1, 2006 was terminated. The executive was receiving a minimum salary of \$2,000 and 10,000 registered common shares per month. PCMC agreed to pay the executive the minimum salary through April 30, 2007.

On May 15, 2007, PCMC and one of its consultants who served as an executive officer agreed to postpone until further agreement the minimum salary of \$500 and 15,000 restricted shares per month that the executive was receiving under an agreement that was scheduled to end on July 6, 2007. PCMC agreed to pay the executive the minimum salary through May 31, 2007.

NOTE 12 – SUBSEQUENT EVENT

Subsequent to September 30, 2007, PCMC issued 50,000 shares valued at \$3,500 for services to a third party.

**Item 8. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.**

None.

**Item 8A. Controls and Procedures.**

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and our Chief Financial Officer, after evaluating the effectiveness of our “disclosure controls and procedures” (as defined in the Securities Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report (the “Evaluation Date”), have concluded that as of the Evaluation Date, our disclosure controls and procedures were not effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act (i) is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure, and (ii) is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms. During the course of their audit of our financial statements, our auditors identified material adjustments in the area of valuation of non-marketable securities. The consolidated financial statements in this 10-KSB filing have been adjusted to include these changes. Management is working on plans to re-evaluate non-marketable security values at the inception of when the company receives them and at each subsequent balance sheet date. We believe these plans when finalized will enable us to avoid these types of adjustments in the future.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 8B. Other Information.**

None.

**PART III**

**Item 9. Directors, Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance With Section 16(a) of the Exchange Act.**

**Executive Officers and Directors**

Our executive officers and directors, and their ages and positions are as follows:

Name	Age	Position
Stephen Brock	51	President, CEO and Director
Trae O'Neil	37	CLO, Treasurer and CFO
Kipley J. Lytel	43	Secretary, COO and Director

*Stephen Brock*, our founder, has served as our President, CEO and a director since October 2004, when we acquired PCMS, PWP, GPT and NMC. He also served as Secretary from such time until January 2006 and as Treasurer until

November 2006. Prior to the acquisition, Mr. Brock was self-employed and was engaged primarily in the startup and operation of PCMS which he formed in July 2004, PWP which he formed in July 2003, GPT which he formed in May 2000 and NMC which he formed in August 1998. Prior to forming GPT, Mr. Brock served as President and Director of the Nevada Business Journal. As an entrepreneur, Mr. Brock has formed several companies devoted to the small-cap market and providing services to other companies in the small-cap market.

-39-

---

*Trae O'Neil High*, has served as our CLO since January 2006 and as our CFO since May 2007. Mr. High also serves as a sole practitioner in corporate securities and international tax law, and has done so since October 2003. From July 2001 to September 2003, Mr. High served as a Senior for Deloitte & Touche, LLP, International Tax Financial Services practice in New York City. From May 1998 to August 2000, Mr. High served as Tax Research Specialist for Excel Communications, Inc. From September 2000 to May 2001, Mr. High attended Georgetown University Law Center where he received an LL.M in taxation. Mr. High received a JD from Southern Methodist University School of Law, an MS in accounting from the University of Texas at Dallas and a BBA in finance from the University of Texas at Austin.

*Kipley J. Lytel, CFA*, has served as our Secretary and COO since January 2006. Mr. Lytel also serves as a Partner of Montecito Capital Management, an investment advisory firm, which position he has held since April 2002. From January 2001 to May 2002, Mr. Lytel worked as a consultant for an equity research firm. From 1997 to December 2000, Mr. Lytel served as a Senior Analyst with ML Stern & Company, a broker dealer. Mr. Lytel received an MBA and a BA in Economics from the Peter F. Drucker School of Management at Claremont Graduate University.

### **Committees of the Board of Directors**

We do not have a standing audit, nominating, or compensation committee, or any other committees of our board of directors performing similar functions. We do not have an audit committee financial expert. We do not anticipate implementing any of these committees or seek an individual to serve as an audit committee financial expert until we are required to do so under federal or state corporate or securities laws or the rules of any stock exchange or inter-dealer quotation system on which our securities may be listed or cleared for quotation

### **Advisory Boards**

#### Global Advisor Board

Our board of directors established a global advisory board to provide advice and counsel to the board of directors on strategic planning, business model refinement, management best practices and other areas relating to our operation. The global advisory board focuses on strengthening our business model by making actionable recommendations that our management and its network of supporters can execute to create intrinsic value. Each member of the global advisory board receives 25,000 shares of our common stock per year and the chairman receives an additional 25,000 shares per year and \$500 per month. The current members of the global advisory board are as follows:

*Stephen A. Boyko*, age 60, is Chairman and CEO of N2K Ecosystems, Inc. a provider of market-based solutions for green governance. Drawing upon his thirty years of business, investment, and financial experience, he founded the Entrepreneurial Exchange to create value for small-to-medium enterprises (SMEs) through proportionate governance and scalable sponsorship. Upon receiving his MBA, Mr. Boyko helped formulate securities regulatory policy for the NASD and thereafter spent a successful career in the securities industry as a registered principal. As an international consultant, he provided a practitioner's perspective for the privatization of the former Soviet Union in the areas of corporate governance and development of the Ukrainian Capital Market. He has taught finance and entrepreneurship at the American University's MBA program and serves on the Advisory Boards of Yorktown University.

*Steve Chaussy*, age 53, is a self-employed results-oriented financial professional with more than 25 years of progressive experience. He has a special emphasis in SEC reporting and compliance with developing and small publicly traded entities. Mr. Chaussy also has experience in structuring and sourcing corporate financing needs. He is effective in public, investor, regulatory and creditor interface, and is an accomplished leader with multi-location financial management. Mr. Chaussy is known as a team builder with expertise in high-paced, multi-task environments.





*Gary N. Clark*, age 61, has over 15 years of portfolio management and securities research experience at Clark Asset Management + Associates, Inc. and has held numerous teaching positions during that time. Prior to Clark Asset Management, Gary served in various capacities for numerous securities firms and as an independent contract analyst.

#### Legal Advisory Board

Our board of directors established a legal advisory board to provide advice and counsel to the board of directors on legal and regulatory compliance and other areas relating to our operations. The guidance of the legal advisory board also allows us to better serve our clients in matters of regulatory compliance. We have not determined the size of the legal advisory board or the amount or form of compensation its members will receive. The following person is chairman of the legal advisory board:

*Peter Chepucavage*, age 60, served as a member of our global advisory board from May 2005 to December 2006. Mr. Chepucavage works with Plexus Consulting Group as General Counsel and head of the broker/dealer and hedge fund regulatory compliance and expert witness section. He also worked as an attorney fellow in the SEC's Market Regulation Division. During his four-year tenure with the SEC, he worked primarily in the business continuity and Reg SHO areas, and was involved in the drafting of Reg SHO and in numerous Reg M enforcement cases and securities futures. Prior to his work with the SEC, he served as an attorney with New York's Fulbright and Jaworski, where his practice was devoted primarily to the representation of broker-dealers and investment advisers in both law and compliance including derivatives. Mr. Chepucavage's previous appointments include serving as Managing Director, Chief Legal Officer and Assistant Corporate Secretary for Nomura Capital Services, Inc.; Managing Director, General Counsel and Corporate Secretary for Nomura Holding America, Inc.; and Assistant General Counsel for the NASD. He also served as an infantry officer in the U.S. Army from 1969 to 1971. He holds a JD from Catholic University, an LL.M from the George Washington University School of Law and a BS in economics and philosophy from Pennsylvania's University of Scranton. He has written extensively about regulation and the effect of regulation on small business.

#### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires our directors, officers and holders of more than 10% of our common stock to file with the SEC reports regarding their ownership and changes in ownership of our equity securities. During our most recent fiscal year, the following persons did not fully comply with all Section 16(a) filing requirements:

- Stephen Brock failed to file one Forms 4 covering one transaction and failed to timely file a Form 5 after our fiscal year end.
- Joshua A. Gottesman failed to file four Forms 4 covering four transactions and failed to timely file a Form 5 after our fiscal year end.
- C. Dennis Hensling failed to file nine Forms 4 covering nine transactions and failed to timely file a Form 5 after our fiscal year end.
- Trae O'Neil High failed to file fourteen Forms 4 covering fourteen transactions and failed to timely file a Form 5 after our fiscal year end.
- Kipley J. Lytel failed to file sixteen Forms 4 covering seventeen transactions and failed to timely file a Form 5 after our fiscal year end.

In making these statements, we have relied upon examination of copies of Forms 3, 4 and 5 provided to us and any written representations of our directors, executive officers and 10% stockholders.

**Code of Ethics**

Our board of directors adopted a code of ethics meeting the requirements of Section 406 of the Sarbanes-Oxley Act of 2002. We will provide to any person without charge, upon request, a copy of our code of ethics. Persons wishing to make such a request should contact Secretary, Public Company Management Corporation, 5770 El Camino Road, Las Vegas, Nevada 89118.

**Item 10. Executive Compensation.**

The table below sets forth, for our last two completed fiscal years, the compensation earned by our President, Treasurer and CEO and one executive officer who received annual compensation in excess of \$100,000 and was serving at the end of our last completed fiscal year. Such officers are referred to herein as our “Named Executive Officers.” None of our other executive officers received \$100,000 or more of compensation in any fiscal year represented in the table.

**SUMMARY COMPENSATION TABLE <sup>(1)</sup>**

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary (\$) <sup>(2)</sup></b>	<b>Stock Awards (\$) <sup>(3)</sup></b>	<b>All Other Compensation (\$) <sup>(4)</sup></b>	<b>Total (\$) <sup>(5)</sup></b>
Stephen Brock President and CEO	2007	\$ 180,000	\$ 192,500 <sup>(4)</sup>	\$ 50,083 <sup>(5)</sup>	\$ 422,583
	2006	\$ 180,000	\$ -0-	\$ 31,928 <sup>(5)</sup>	\$ 211,928
Trae O'Neil High CLO, Treasurer and CFO	2007	\$ 145,000	\$ 41,660 <sup>(6)</sup>	\$ 44,089 <sup>(7)</sup>	\$ 230,749
	2006	\$ 90,000	\$ 26,900	\$ 63,280 <sup>(7)</sup>	\$ 180,180

(1) Does not include perquisites and other personal benefits or property unless the aggregate amount of such compensation is \$10,000 or more.

(2) We accrue \$15,000 of salary per month (or \$180,000 per year) for Mr. Brock. We accrued \$20,500 and \$37,125 for Mr. High for 2007 and 2006, respectively.

(3) Stock awards are valued at the closing price of our common stock on the Over the Counter Bulletin Board on the grant date. See “Notes to Consolidated Financial Statements, Note 1 - Summary of Accounting Policies” included in “Item 7. Financial Statements,” above.

(4) We issued 1,750,000 shares of our common stock to Mr. Brock for services rendered as our President, CEO and a director.

(5) Represents premiums for health, general liability, life and auto insurance and company provided automobile.

(6) In 2007, we accrued \$25,785 representing 168,776 shares of our common stock (ranging in prices from \$0.42 to \$0.07 per share) for Mr. High for services as our CLO and CFO and \$3,750 representing 25,000 shares for a bonus for him entering into a consulting agreement with us. Also in 2007, we issued an aggregate of 75,000 shares of our common stock to Mr. High valued at \$12,125 (ranging in prices from \$0.065 to \$0.210 per share) for completed management consulting services engagements. In 2006, Mr. High received stock awards valued at \$23,400 (\$5,200 of which was accrued) for his services as our CLO and \$3,500 (all of which was accrued) for a completed management consulting services engagement.

(7) For 2007, represents 4% of our marketable securities as of September 30, 2007 to be transferred to Mr. High for his client stock incentive under our agreement with him. See “Item 12. Certain Relationships and Related Transactions, and Director Independence”, below. For 2006, represents compensation to Mr. High in the form of \$50,580 cash and 42,250 shares of our common stock valued at \$12,700 (ranging in prices from \$0.13 to \$0.40 per share and \$3,800 of which was accrued) for legal services that he provided directly to our clients under our management consulting

and compliance services contracts with our clients.

**Agreements with Named Executive Officers**

We and Stephen Brock have orally agreed to compensation of \$180,000 per year, which we accrue. Stephen Brock also participates in our health and life insurance plan.

We and Trae O'Neil High entered into a one-year agreement, effective January 2, 2007, pursuant to which Mr. High serves as our Chief Legal Officer and, effective May 3, 2007, as our Chief Financial Officer and Treasurer. The material terms of the agreement are discussed under the heading "Item 12. Certain Relationships and Related Transactions, and Director Independence", below.

-42-

---

## Compensation of Directors

There are currently no compensation arrangements in place for the members of the board.

## Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table set forth information as of December 6, 2007, with respect to the beneficial ownership of our common stock by each person known by us to be the beneficial owner of more than 5% of our outstanding common stock, each of our directors and Named Executive Officers, and our directors and Named Executive Officers as a group.

Name of Beneficial Owner	Common Stock Beneficially Owned <sup>(1)</sup>	
	Amount	Percent
Stephen Brock	18,946,307 <sup>(2)</sup>	67.3%
Kipley J. Lytel	523,023 <sup>(3)</sup>	1.9%
Trae O'Neil High	434,830 <sup>(4)</sup>	1.5%
All directors and Named Executive Officers as a group (3 people)	19,904,160	70.7%

(1) The number of shares of common stock owned are those "beneficially owned" as determined under the rules of the SEC, including any shares of common stock as to which a person has sole or shared voting or investment power and any shares of common stock which the person has the right to acquire within 60 days through the exercise of any option, warrant or right. More than one person may be deemed to be a beneficial owner of the same securities. The percentage of beneficial ownership by any person as of a particular date is calculated by dividing the number of shares beneficially owned by such person, which includes the number of shares as to which such person has the right to acquire voting or investment power within 60 days, by the sum of the number of shares outstanding as of such date plus the number of shares as to which such person has the right to acquire voting or investment power within 60 days. Consequently, the denominator used for calculating such percentage may be different for each beneficial owner. This table is based upon information derived from our stock records. Unless otherwise indicated in the footnotes to this table and subject to community property laws where applicable, each of the shareholders named in this table has sole or shared voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based upon 28,149,316 shares of our common stock which were outstanding as of December 6, 2007.

(2) Includes 18,096,307 shares owned by a family trust of which Mr. Brock is the trustee, and 850,000 shares owned directly by Mr. Brock.

(3) Includes 190,000 shares of common stock owed to Mr. Lytel which had not been issued as of December 6, 2007.

(4) Includes 193,776 shares of common stock owed to Mr. High which had not been issued as of December 6, 2007.

## Equity Compensation Plans

Our Stock Award Plan – 2006 is intended to advance our best interests by providing stock-based compensation to our employees, directors, officers. Consultants or advisors may also participate in the plan only if they are natural persons, they provide bona fide services to us and the services provided are not in connection with the offer or sale of securities in a capital-raising transaction, and do not directly or indirectly promote or maintain a market for our securities. Initially, there were 500,000 shares of our common stock available under the plan, which we registered with the SEC.

Our board of directors, in its discretion, may increase the number of shares available under the plan.

We also have a number of individual compensation arrangements in the form of written compensation contracts as well as individual compensation arrangements that are not set forth in any formal document under which we issue restricted shares of our common stock.

We adopted all of our plans without the approval of our security holders.

-43-

---

Securities authorized for issuance under equity compensation plans as of our fiscal year ended September 30, 2007 are as follows:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a) (c)</b>
Equity compensation plans approved by security holders	-0-	N/A	-0-
Equity compensation plans not approved by security holders	-0-	N/A	516,386 <sup>(1)</sup>
<b>Total</b>	<b>-0-</b>	<b>N/A</b>	<b>516,386<sup>(1)</sup></b>

(1)Includes 10,110 registered shares of common stock remaining available under our 2006 Stock Award Plan, 473,776 shares required to be registered under our individual compensation arrangements with people who are, or were, serving as officers and 32,500 restricted shares of common stock remaining available under other individual compensation arrangements.

## **Item 12. Certain Relationships and Related Transactions, and Director Independence.**

### **Indebtedness**

As of September 28, 2007, Stephen Brock, our President, CEO and a director, had advanced us \$1,197,224 for fiscal 2007.

On November 15, 2006, we issued Stephen Brock, our President, CEO and a director, an unsecured, fifteen-year promissory note in the principal amount of \$300,000 which bears interest at a rate of 12% per year. We were obligated to pay Mr. Brock one hundred eighty installments of \$3,600 each on the fifteenth day of each month with the first such installment beginning on December 15, 2006 until the principal and interest were paid in full. Mr. Brock advanced us cash of \$300,000 as consideration for the note.

On September 28, 2007, Stephen Brock converted \$1,019,657 of debt into 1,019,657 restricted shares of our common stock. The debt, which consisted of various long-term loans and advances including the loans and advances discussed above that Mr. Brock had extended to us, was fully satisfied as a result of the conversion.

### **Consulting Agreements and Other Transactions**

On April 12, 2007, Kipley J. Lytel and we entered into a one-year consulting agreement, effective January 2, 2007, pursuant to which Mr. Lytel will dedicate 3-4 hours per day as our COO, Secretary and a director. The agreement provides for a signing bonus of 25,000 registered shares of our common stock which were issued and valued at \$0.15 per share (or \$3,750), initial compensation of \$2,000 per month, which will increase to \$3,000 per month upon reaching certain milestones defined in the agreement, and an aggregate of 180,000 registered shares of our common stock which accrues monthly in equal amounts of 15,000 shares. In addition, Mr. Lytel will receive bonuses upon the accomplishment of any one of several milestones (as set forth in the agreement) payable in registered or restricted shares of our common stock. Mr. Lytel also works full-time as a Partner of Montecito Capital Management and uses

his best efforts to balance his obligations to us and Montecito Capital.

-44-

---



On April 12, 2007, Trae O'Neil High and we entered into a one-year consulting agreement, effective January 2, 2007, pursuant to which Mr. High serves as our CLO. On May 3, 2007, Mr. High and we entered into an addendum to the consulting agreement pursuant to which Mr. High also serves as Treasurer and CFO. The consulting agreement, as amended, provides that Mr. High will devote at least 40 hours per week toward his duties to us. The agreement provides for a signing bonus of 25,000 registered shares of our common stock which were issued and valued at \$0.15 per share (or \$3,750), cash compensation of \$180,000 payable in monthly installments of \$15,000 per month, and an aggregate of 180,000 registered shares of our common stock which accrues monthly in equal amounts of 15,000 shares. In addition, Mr. High will receive bonuses upon the accomplishment of various milestones (as set forth in the agreement) payable in registered or restricted shares of our common stock and 4% of the securities of each client held by us on, or acquired by us after, March 31, 2007, and are, or become, marketable securities.

In addition to the consulting agreement, Mr. High and we have agreed in principle for Mr. High to provide legal services for our clients on behalf of us. Mr. High's consulting agreement includes a right of first refusal on such engagements; provided that such right shall cease during any time that Mr. High is engaged to prepare a registration statement for five or more of our clients or to prepare periodic and other reports under the Exchange Act of 1934, as amended, for ten or more of our clients. During fiscal 2007, Mr. High did not invoice us for any cash or common stock compensation for these engagements.

We may terminate our agreements with Mr. Lytel or Mr. High at any time if the other party acts unlawfully, dishonestly, negligently, incompetently or in bad faith, is conviction of a felony; becomes permanently disabled or disabled for a period exceeding 90 consecutive days or 90 days calculated on a cumulative basis during the term of the agreement; breaches or defaults under any term of the agreement if such breach or default has not been remedied to our reasonable satisfaction within 14 days after written notice of the breach or default has been delivered by us; or at our will, upon 30 days written notice upon a decision by our CEO. Mr. Lytel and Mr. High may terminate their agreements at any time after the expiration of 120 days of the date on which there is a change of control or we have a successor (as described in the agreement); upon the default or breach of any term of the agreement by us if such breach or default has not been remedied or is not being remedied to their reasonable satisfaction within 14 days after written notice of the breach or default has been delivered to us; or at their will upon 30 days written notice to us.

On May 3, 2007, Joshua A Gottesman and we terminated the employment agreement between us pursuant to which Mr. Gottesman served as our CFO and Treasurer. Our understanding is that Mr. Gottesman has opened an accounting or CPA firm which requires more of his time and would have taken away from the time that he could spend on our business. Under the agreement, Mr. Gottesman received a bonus of 25,000 shares of our common stock valued at \$0.15 per share (or an aggregate of \$3,750) on the date of grant. Mr. Gottesman was entitled to receive \$24,000 and an aggregate of 120,000 shares of our common stock as compensation. He was also entitled to six weeks of paid time off during the term of his agreement. In addition, Mr. Gottesman was entitled to receive bonuses upon the accomplishment of various milestones (as set forth in the agreement) payable in registered or restricted shares of our common stock. Mr. Gottesman was required to devote approximately four hours a day to us. During the time that Mr. Gottesman worked for us, he was also working full-time as a Principal of the accounting firm of Gregory E. Bruce, Chtd. and was using his best efforts to balance his obligations to us and the accounting firm. In addition, from time to time, we engaged Gregory E. Bruce, Chtd. to provide booking, accounting and pre-audit services to us for a fee of \$4,750 per month and hourly billing for special projects. During fiscal 2007 and 2006, we paid and accrued an aggregate of approximately \$36,500 and \$5,208, respectively, to the accounting firm.

**Item 13. Exhibits.**

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
3.1 <sup>(1)(2)</sup>	Articles of Incorporation
3.2 <sup>(1)</sup>	Bylaws
3.3 <sup>(2)</sup>	Amendment to Articles of Incorporation
3.4 <sup>(2)</sup>	Amended Bylaws
10.1 <sup>(3)</sup>	Consulting Agreement with Kipley J. Lytel, CFA, dated April 12, 2007, effective January 2, 2007
10.2 <sup>(3)</sup>	Consulting Agreement with Trae O'Neil High, dated April 12, 2007, effective January 2, 2007
10.3 <sup>(3)</sup>	Addendum to Consulting Agreement with Trae O'Neil High, dated May 3, 2007
10.4 <sup>(4)</sup>	Employment Agreement with Joshua A. Gottesman, CPA, dated November 1, 2006
10.5 <sup>(5)</sup>	Conversion Agreement with Stephen Brock, dated September 28, 2007
14 <sup>(6)</sup>	Code of Ethics
21 <sup>(6)</sup>	Subsidiaries of PCMC
31.1*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

\* Filed herein

- (1) Filed as Exhibits 3.1 and 3.2, respectively, to the registrant's Form 10-SB filed with the SEC on November 19, 2002, and incorporated herein by reference.
- (2) Filed as Exhibits 3.1 (along with the Articles of Incorporation) and Exhibit 3.2, respectively, to the registrant's Form 10-QSB filed with the SEC on May 18, 2005, and incorporated herein by reference.
- (3) Filed as Exhibits 10.1, 10.2 and 10.3, respectively, to the registrant's Form 8-K8 filed with the SEC on June 7, 2007, and incorporated herein by reference.
- (4) Filed as Exhibit 10.1 to the registrant's Form 8-K filed with the Commission on November 1, 2006, and incorporated herein by reference.
- (5) Filed as Exhibit 10.1 to the registrant's Form 8-K filed with the Commission on October 31, 2007, and incorporated herein by reference.
- (6) Filed as Exhibit 14 and Exhibit 21, respectively, to the registrant's Form 10-KSB filed with the SEC on December 28, 2006, and incorporated herein by reference.

**Item 14. Principal Accountant Fees and Services.**

The following table sets forth the aggregate fees incurred by us for the audit and other services provided by Malone & Bailey, PC during the fiscal years ended September 30, 2006 and 2007:

	2006	2007
Audit Fees	\$ 71,050	\$ 67,910
Audit-Related Fees	\$ -	\$ -
Tax Fees	\$ -	\$ -

All Other Fees

\$ - \$ -

-46-

---

**SIGNATURES**

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PUBLIC COMPANY MANAGEMENT CORPORATION**

Date: December 28, 2007 By: /s/ Stephen Brock  
Name: Stephen Brock  
Title: President and Chief Executive Officer

In accordance with the requirements of the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<i>/s/ Stephen Brock</i> Stephen Brock	President, Chief Executive Officer and Director (Principal Executive Officer)	December 28, 2007
<i>/s/ Trae O'Neil High</i> Joshua A. Gottesman	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	December 28, 2007
<i>/s/ Kipley J. Lytel</i> Kipley J. Lytel	Director	December 28, 2007