

PUBLIC CO MANAGEMENT CORP
Form 10KSB/A
January 05, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-KSB/A
(Amendment No. 1)

(Mark One)

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

For the fiscal year ended September 30, 2008

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.

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

Yes No

The issuer's revenue for the most recent fiscal year ended September 30, 2008 was \$837,089.

The aggregate market value of the voting and non-voting common equity held by non-affiliates was \$293,421 as of December 26, 2008, based upon the per share closing sale price of \$0.03 on such date.

As of December 12, 2008, there were outstanding 29,276,816 shares of the registrant's common stock, \$.001 par value per share.

Transitional Small Business Disclosure Format: Yes No

EXPLANATORY NOTE

Public Company Management Corporation ("PCMC") is amending its annual report on Form 10-KSB for the fiscal year ended September 30, 2008 which was originally filed with the Securities and Exchange Commission (the "SEC") on December 30, 2008, to correct typographical errors on the Consolidated Balance Sheet and the Consolidated Statement of Cash Flows for the year ended September 30, 2008. We had reported total stockholders' equity instead of properly reporting deficit on such balance sheet and changes in accounts receivable of \$48,880 instead of properly reporting \$48,800 on such statement of cash flows. Changes have been made to "Item 2. Management Discussion and Analysis" under the heading "Liquidity and Capital Resources" to correct changes in accounts receivable.

Although this Form 10-KSB/A contains all of the items required to be included in an annual report on Form 10-KSB, no other information in the original filing is amended hereby. The items have not been updated to reflect other events occurring after the original filing or to modify or update those disclosures affected by subsequent events. In addition, pursuant to the rules of the SEC, Item 6 of Part II of the original filing has been amended to contain currently dated certifications from PCMC's Chief Executive Officer and Chief Financial Officer, as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002.

Except for the foregoing amended information, this Form 10-KSB/A continues to speak as of the date of the original filing, and PCMC has not updated the disclosures contained herein to reflect events that occurred at a later date unless otherwise noted.

Form 10-KSB/A
 (Amendment No. 1)
 For the Fiscal Year Ended September 30, 2008

TABLE OF CONTENTS

	Page
PART I	
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.	9
PART II	
Item 5. Market for Common Equity and Related Stockholder Matters.	10
Item 6. Management's Discussion and Analysis.	11
Item 7. Financial Statements.	22
Item 8. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.	36
Item 8A. Controls and Procedures.	36
Item 8B. Other Information.	36
PART III	
Item 9. Directors, Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance With Section 16(a) of the Exchange Act.	37
Item 10. Executive Compensation.	38
Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.	39
Item 12. Certain Relationships and Related Transactions, and Director Independence.	40
Item 13. Exhibits.	41
Item 14. Principal Accountant Fees and Services.	41

Form 10-KSB/A
(Amendment No. 1)
For the Fiscal Year Ended September 30, 2008

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 "PCMC", 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; 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, a 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, Secretary, sole director 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 member firms of the Financial Industry Regulatory Authority (or FINRA) 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;

- 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.

We require potential clients generally to show proof 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.

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

We rely on Stephen Brock to sell our management consulting and regulatory compliance services. From time to time, we have also retain consultants to assist us with marketing and business development particularly 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.

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;