

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 10-QSB**

*(Mark One)*

- ☒ Quarterly report under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended **March 31, 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: **1-15165**

**COMCAM, INC.**

(Exact name of small business issuer as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**98-0208402**

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

**1140 McDermott Drive, Suite 200, West Chester, Pennsylvania 19380**

(Address of principal executive office)

(Zip Code)

**(610) 436-8089**

(Issuer's telephone number)

Check whether the registrant: (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   X  

No       

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

Yes       

No   X  

The number of outstanding shares of the registrant's common stock, \$0.0001 par value (the only class of voting stock), as of May 31, 2007 was 34,408,634.

## TABLE OF CONTENTS

### PART I

ITEM 1. FINANCIAL STATEMENTS .....	3
Unaudited Consolidated Balance Sheet as of March 31, 2007.....	4
Unaudited Consolidated Statement of Operations for the three months ended March 31, 2007 and 2006 and cumulative amounts.....	5
Unaudited Consolidated Statement of Cash Flows for the three months ended March 31, 2007 and 2006 and cumulative amounts.....	6
Notes to Unaudited Financial Statements.....	7
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS .....	11
ITEM 3. CONTROLS AND PROCEDURES .....	22

### PART II

ITEM 1. LEGAL PROCEEDINGS .....	23
ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES .....	23
ITEM 3. DEFAULTS UPON SENIOR SECURITIES.....	23
ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITIES HOLDERS .....	23
ITEM 5. OTHER INFORMATION.....	23
ITEM 6. EXHIBITS.....	23
SIGNATURES.....	24
INDEX TO EXHIBITS.....	25

## **PART I**

### **ITEM 1. FINANCIAL STATEMENTS**

As used herein the terms “ComCam,” “we,” “our”, and “us” refer to ComCam, Inc., a Delaware corporation its subsidiaries and predecessors, unless otherwise indicated. In the opinion of management, the accompanying unaudited consolidated financial statements included in this Form 10-QSB reflect all adjustments (consisting only of normal recurring accruals) necessary for a fair presentation of the results of operations for the periods presented. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year.

COMCAM, INC.  
(A Development Stage Company)  
CONSOLIDATED BALANCE SHEET

	March 31, 2007 (Unaudited)	December 31, 2006 (Audited)
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 16,058	15,206
Accounts receivable, net	4,094	6,861
Inventories	<u>72,973</u>	<u>78,048</u>
Total current assets	93,125	100,115
Property and equipment, net	132,595	10,529
Other assets	<u>4,106</u>	<u>4,106</u>
Total assets	\$ <u><u>229,826</u></u>	<u><u>114,750</u></u>
 <u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u>		
Current liabilities:		
Accounts payable	\$ 280,104	318,538
Accrued expenses	237,166	175,666
Embedded derivative liability	97,520	-
Notes payable	<u>1,577,623</u>	<u>1,511,568</u>
Total current liabilities	<u>2,192,413</u>	<u>2,005,772</u>
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock, \$.0001 par value; 20,000,000 shares authorized, 5,581,500 shares issued and outstanding	558	558
Common stock, \$.0001 par value; 750,000,000 shares authorized, 34,408,634 shares issued and outstanding	3,441	3,441
Additional paid-in capital	5,055,248	5,055,248
Deficit accumulated during the development stage	<u>(7,021,834)</u>	<u>(6,950,269)</u>
Total stockholders' deficit	<u>(1,962,587)</u>	<u>(1,891,022)</u>
Total liabilities and stockholders' deficit	\$ <u><u>229,826</u></u>	<u><u>114,750</u></u>

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

COMCAM, INC.  
(A Development Stage Company)  
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31,		Cumulative
	2007	2006	Amounts
Revenues, net	\$ 28,833	15,363	638,063
Cost of revenues	5,055	1,226	256,804
Gross profit	23,778	14,137	381,259
Operating expenses:			
General and administrative expenses	59,989	164,775	4,975,586
Research and development expenses	4,250	9,396	2,256,029
Gain on cancellation of debt	-	(400)	(202,127)
	64,239	173,771	7,029,488
Loss from operations	(40,461)	(159,634)	(6,648,229)
Other income (expense):			
Interest income	39	1,485	13,367
Interest expense	(46,703)	(25,712)	(402,532)
Gain on embedded derivative liability	15,560	-	15,560
	(31,104)	(24,227)	(373,605)
Loss before provision for income taxes	(71,565)	(183,861)	(7,021,834)
Provision for income taxes	-	-	-
Net loss	\$ (71,565)	(183,861)	(7,021,834)
Net loss per common share - basic and diluted	\$ (0.00)	(0.01)	
Weighted average common and common equivalent shares - basic and diluted	34,409,000	30,401,000	

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

COMCAM, INC.  
(A Development Stage Company)  
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,		Cumulative
	2007	2006	Amounts
<u>Cash flows from operating activities:</u>			
Net loss	\$ (71,565)	(183,861)	(7,021,834)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	2,934	1,236	52,022
Stock, option, and warrant compensation expense	-	-	2,370,741
Gain on cancellation of debt	-	(400)	(202,127)
Gain on embedded derivative	(15,560)	-	(15,560)
Accretion - debenture interest expense	14,135	-	14,135
Provisions for losses on accounts receivable	2,000	-	9,000
Provision for obsolete inventories	5,000	-	5,000
(Increase) decrease in:			
Accounts receivable	767	12,569	(13,094)
Inventories	75	(45,386)	(77,973)
Other assets	-	-	(4,106)
Increase (decrease) in:			
Accounts payable	(38,434)	924	656,027
Accrued expenses	61,500	25,083	241,166
Related party payable	-	-	46,000
Net cash used in operating activities	<u>(39,148)</u>	<u>(189,835)</u>	<u>(3,940,603)</u>
<u>Cash flows from investing activities:</u>			
Purchases of property and equipment	-	-	(59,617)
Net cash used in investing activities	<u>-</u>	<u>-</u>	<u>(59,617)</u>
<u>Cash flows from financing activities:</u>			
Issuance of common stock	-	16,750	2,275,410
Increase in notes payable	40,000	-	1,704,530
Proceeds from reverse acquisition	-	-	36,338
Net cash provided by financing activities	<u>40,000</u>	<u>16,750</u>	<u>4,016,278</u>
Net increase (decrease) in cash	852	(173,085)	16,058
Cash, beginning of period	15,206	255,937	-
Cash, end of period	<u>\$ 16,058</u>	<u>82,852</u>	<u>16,058</u>

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

ComCam, Inc.  
(A Development Stage Company)  
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2007

Note 1 - Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared by management in accordance with the instructions in Form 10-QSB and, therefore, do not include all information and footnotes required by generally accepted accounting principles and should, therefore, be read in conjunction with the ComCam's Form 10-KSB for the year ended December 31, 2006. These statements do include all normal recurring adjustments which ComCam believes necessary for a fair presentation of the statements. The interim results of operations are not necessarily indicative of the results to be expected for the full year ended December 31, 2007.

Note 2 - Additional Footnotes Included By Reference

Except as indicated in the notes above, there have been no other material changes in the information disclosed in the notes to the financial statements included in ComCam's Form 10-KSB for the year-ended December 31, 2006. Therefore, those footnotes are included herein by reference.

Note 3 - Going Concern

As of March 31, 2007, the ComCam's revenue generating activities were limited and ComCam has incurred losses since inception. These factors raise substantial doubt about ComCam's ability to continue as a going concern.

Management intends to seek additional equity and debt funding to expand marketing efforts and product development. There can be no assurance that such funds will be available to ComCam nor that the marketing and product development efforts will be successful.

ComCam, Inc.  
(A Development Stage Company)  
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2007

Note 4 – Notes Payable

Notes payable consist of the following:

	March 31, <u>2007</u>	December 31, <u>2006</u>
Convertible unsecured note payable to ACC Investors, LLC, bearing interest at 8%, due on demand. The note may be converted to common shares of ComCam International, Inc. at the option of the holder, based on certain terms related to outstanding shares and per share prices. The note also includes warrants to purchase common stock of Comcam International, based on certain terms related to the total number of shares outstanding at the time the warrants are exercised.	\$ 1,100,000	1,100,000
Notes payable to Paul Higbee, bearing interest at 8%, due on demand, secured by the intellectual property of ComCam.	250,000	210,000
Unsecured note payable to Global Megatrend, bearing interest at 7.5% and due on demand. The note may be converted to common shares of the ComCam, at the option of the holder, based on certain terms related to outstanding shares and per share prices. ComCam is in default of the agreement because it is insolvent.	176,568	176,568
Convertible debenture to HNI, LLC of \$125,000, bearing interest at 7%, due on February 14, 2008, net of embedded derivative discount of \$98,945 (see Note 5).	26,055	-
Convertible unsecured note payable to Robert Emmet, bearing interest at 6%, and due on demand. The note may be converted into common shares of the ComCam at \$.35 per share and contains a provision which allows the ComCam to call for the conversion at anytime.	<u>25,000</u>	<u>25,000</u>
	\$ <u>1,577,623</u>	<u>1,511,568</u>



ComCam, Inc.  
(A Development Stage Company)  
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2007

Note 5 – Convertible Debenture and Embedded Derivative to HNI, LLC

On February 14, 2007, the ComCam issued a Convertible Debenture (the Debenture) to HNI, LLC. The Debenture accrues interest at 7%, is due on February 14, 2008, and is convertible into a variable number of shares. The per share conversion rate is defined as 30% off the most recent closing bid price on the date that the ComCam receives notice of conversion. At March 31, 2007 the Debenture is convertible into approximately 13,736,264 common shares.

ComCam analyzed the Debenture based on the provisions of EITF 00-19 and determined that the conversion option of the Debenture qualifies as an embedded derivative. Information related to the recognition of the embedded derivative is as follows:

Embedded Derivative

The fair value of the embedded derivative on February 14, 2007 was determined to be \$113,080 and was recorded as an embedded derivative liability. The embedded derivative is revalued at the end of each reporting period and any resulting gain or loss is recognized as a current period charge to the statement of operations. The fair value was calculated using the Black-Scholes option pricing model with the following factors, assumptions and methodologies:

- The fair value of the ComCam's common stock was calculated to be \$.017 per share on February 14, 2007.
- A volatility of 149% was calculated by using the ComCam's closing stock prices since May 2006.
- The exercise price was \$.0119. This amount was determined based on 30% off the most recent closing bid price immediately preceding February 14, 2007.
- The estimated life was determined to be 1 year, which is equal to the contractual life of the embedded derivative.
- The risk free interest rate was determined to be 5.06% based on the 1-year treasury rate.

During the three and nine months ended March 31, 2007, ComCam recorded accretion expense related to the embedded derivative discount of \$14,135.

At March 31, 2007, the embedded derivative liability consists of the following:

Fair value at inception	\$	113,080
Less gain		<u>(15,560)</u>
	\$	<u>97,520</u>

ComCam, Inc.  
(A Development Stage Company)  
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
March 31, 2007

Note 6 – Supplemental Cash Flow Information

During the three months ended March 31, 2007, the ComCam:

- Acquired \$125,000 of property and equipment in exchange for a convertible debenture.
- Recorded an embedded derivative liability of \$113,080 and recorded a discount on the convertible debenture of \$113,080.
- Decreased the value of the embedded derivative liability and recognized a gain on the embedded derivative liability of \$15,560.

Note 7 – Recent Accounting Pronouncements

In June 2006, the Financial Accounting Standards Board (FASB) issued FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes—an interpretation of FASB Statement No. 109.” This statement clarifies the accounting for uncertainty in income tax positions. The ComCam has filed income tax returns in the U.S. federal jurisdiction and in certain states. ComCam is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2002.

The ComCam adopted the provisions of FIN 48 on January 1, 2007. ComCam did not make any adjustment to opening retained earnings as a result of the implementation. ComCam recognizes interest accrued related to unrecognized tax benefits along with penalties in operating expenses. During the quarters ended March 31, 2007 and 2006, ComCam did not recognize any interest and penalties relating to income taxes. The ComCam did not have any accrual for the payment of interest and penalties at March 31, 2007.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion should be read in conjunction with our financial statements and notes thereto included in this report. All information presented herein is based on our period ended March 31, 2007. Our fiscal year end is December 31.

### **General**

ComCam's mission, though our wholly owned subsidiary ComCam International, Inc. ("International") is to become a leader in the digital video camera and software industry as a pioneering developer and provider of *Internet Protocol* wired and wireless video products and solutions.

Internet Protocol ("IP") is the procedure for regulating the transmission of data over a network, be that a local area network or the internet. International's IP video products are designed to work efficiently over a network, whether the network is connected by cable or over a wireless connection, by breaking up data into small transmittable units which are then reassembled on the receiving end.

### **Discussion and Analysis**

ComCam's financial condition and results of operations depend primarily on revenue generated from the sale of International products and our ability to realize additional debt or equity financing in combination with stability in administrative expenses. There can be no assurance that an increase in sales of International's products or any other sources of revenue will provide sufficient cash flows in the near term to sustain our operations and we have no commitments for additional debt or equity financing. Since ComCam does not expect to generate sufficient cash flow in the short term, we are currently seeking financing as a means to bridge the gap between operational losses and expenses. ComCam can provide no assurance that our efforts will be successful.

ComCam's business development strategy is prone to significant risks and uncertainties which can have an immediate impact on efforts to realize net cash flow and deter future prospects of revenue growth. ComCam has a limited history of generating revenue which cannot be viewed as an indication of continued growth and a historical record of incurring losses. Should we be unable to consistently generate revenue and reduce or stabilize expenses on a consolidated basis to the point where we can realize net cash flow, such failure will have an immediate impact on our ability to continue our business operations.

### **Strategy**

ComCam remains focused on numerous domestic and international sales opportunities with businesses and organizations that have purchased International's products in the past, including the following:

- United States agencies: most of our units sold to U.S. agencies have been used for testing purposes, including:
  - (a) the Coast Guard and Navy which funded the University of South Florida for remote underwater operating vehicles and purchased 10 camera systems between 2002 and the present,
  - (b) Naval Undersea Warfare Center who purchased 16 camera systems for classified purposes in 2003,
  - (c) the FBI through Photech, Inc., who purchased 4 camera systems for undisclosed surveillance monitoring in 2004,

- (d) National Oceanic and Atmospheric Administration (Department of Commerce) and the Fish and Wildlife Service (Department of the Interior) who each purchased 1 camera system in October 2005, and
- (e) Department of Interior who purchased several camera systems in 2001 to secure certain historic buildings in Independence Park, Philadelphia; and State agencies: the Washington Fish and Wildlife Service purchased 1 camera system in October 2005; and
- United States corporations: units sold to private US companies for both research purposes and for implementation, including:
  - (a) DRS/Night Vision Systems for various purposes and purchased 5 microserver systems between 2006 and the present, and provide engineering services;
  - (b) Henry Brothers for installation at JFK Airport and purchased 3 microserver systems;
  - (c) IBM for loss-prevention purpose at its corporate facility in Raleigh, NC, purchased 3 microserver systems.
- Various South America and North Africa integrators: port security and various wireless applications including two companies in Cartagena, Columbia, who purchased 11 professional lens camera systems since 2003 for testing in a port security project.

ComCam has significantly increased its intellectual property (IP) portfolio with the addition of US Patent 6,975,220 to its portfolio. The technology embodied in the patent is expected to enhance the command-and-control appliances and remote management services offered by International's products. Further, we intend to license the '220' patent directly to OEM partners, online service providers, software developers, consumer electronics companies and other industry partners developing online services with intelligent remote devices. The patent was acquired from HNI, LLC (a Connecticut LLC.), a partnership that includes The Hartford, Next Generation Ventures, LLC, and Connecticut Innovations.

Additionally, ComCam intends to pursue numerous new domestic and international sales opportunities to generate increased revenue, including the following:

- DRS/Night Vision Systems has provided engineering services for their Perceptor camera line and it has incorporated ComCam microservers and software to support trials for the military projects.
- EG&G has included ComCam in design bids for wireless configurations on military contracts.
- OLogic has included ComCam in design of robotic based command-and-control system.
- Siemens Maintenance Services, LLC, has included ComCam in design bids for wireless configurations to commercial airports, municipal transportation departments and other venues.
- Symbol/Motorola has made ComCam a strategic sales partner for command-and-control and video display on mobile enterprise devices.
- ComCam has licensed its proprietary video compression utility to AMSEC, a business partnership between Science Applications International Corp. (SAIC) and Newport News Shipbuilding.

Marketing overtures through DRS/Night Vision, Siemens Maintenance Services, LLC, and Symbol/Motorola have not resulted in sales to date. All of the above are examples of potential future customers that may contribute to an increase in ComCam's revenues. Additionally, ComCam plans to implement an aggressive marketing and sales campaign to reach a broader market for our products.

While maintaining direct sales relations with many of its historic customers (e.g., United States Navy), ComCam has also focused its sales efforts on serving as an Original Equipment Manufacturer (OEM) for strategic resellers, to serve as a research and development partner, and to develop a network of dealers, resellers and system integrators with differing targeted market expertise.

As an Original Equipment Manufacturer (OEM), ComCam has established a strategic reseller alliance with IBM, Raleigh, NC, for the distribution of an IBM-branded RFID Biometric Access Systems. ComCam has formed a research-and-development alliance with HCH Enterprises, LLC, Providence, RI , to pursue opportunities with the U.S. Department of Defense and other federal entities.

ComCam has begun to offer a series of specialized “solution” bundles to be sold into the marketplace by select distributors.

- AAID Security Solutions, Peachtree City, GA -- for the distribution of the RFID Biometric Access System.
- Remote Eyes, Laurel, MD – distribution of the CCTV Upgrade Kit (Limited System).
- ScanSource, Greenville, SC – distributor of the CCTV Wireless Upgrade Kit (Full System).
- Susquehanna Computer Innovations, South Williamsport, PA – for distribution of the Integrated Command-&-Control Van.

Individual dealers, resellers and system integrators have begun to offer company-based solutions to their respective sales channels.

ComCam’s marketing plan provides that we will:

- promote our products and services through our website;
- promote our accomplishments through regular press releases distributed by a PR Newswire that reaches both the financial press and the specialized industry-sector press. We maintain an online mailing list of three thousand names and each release is sent to contacts on the list;
- attend leading industry events, including trade conferences and seminars, often with a strategic partner; two recent events include FenceTech 2007 with AAID, to introduce its “RFID Biometric Access System,” and CES 2007 with OLogic, to participate at “Robotics TechZone” to demonstrate a video command-and-control system.
- participate in invitation-only company presentations and seminars; e.g., invited to present at ESRI’s “Survey & Engineering: GIS Summit” (June 2007).
- support our strategic partners by participating in planning sessions and other events.

Further, we intend to:

- retain a professional investor relations / public relations firm to launch an aggressive re-branding awareness campaign targeted to both our core sales channels (e.g., security surveillance, video networking) as well as the investor community (e.g., market makers and research analysts);
- revise corporate identity (e.g., logo), website and print materials: in line with overall corporate repositioning, we will revise and refresh our core branding elements to maximize its positioning message as a technology leader not only in video surveillance but also toward wireless networking; and

Through these efforts, we will be able to manage sales growth as well as take advantage of new opportunities including customized solutions that resellers bring to us.

## **Results of Operations**

During the three month period ended March 31, 2007, ComCam was engaged in the ongoing development and sale of International's *Internet Protocol* remote control platform cameras, micro servers, associated software, and unique end-to-end network solutions.

### ***Revenue***

Revenue for the three month period ended March 31, 2007 increased to \$28,833 from \$15,363 for the three month period ended March 31, 2006, an increase of 88%. The increase in revenue over the comparative three month periods can be attributed to the availability of products and increased marketing efforts. ComCam expects revenue to continue increase over the next twelve months.

### ***Losses***

Net losses for the three month period ended March 31, 2007 decreased to \$71,565 from \$183,861 for the three month period ended March 31, 2006, a decrease of 61%. The decrease in losses over the comparative three month periods is due to an increase in revenue and a decrease in general and administrative expenses. ComCam expects to continue to incur losses over the next twelve months.

### ***Expenses***

Cost of revenue for the three month period ended March 31, 2007 increased to \$5,055 from \$1,226 for the three month period ended March 31, 2006, an increase of 312%. The increase in the cost of revenue over the comparative three month periods can be attributed to costs associated with the increase in revenue. ComCam expects the cost of revenue to grow as sales increase over the next twelve months.

General and administrative expenses for the three month period ended March 31, 2007 decreased to \$59,989 from \$164,775 for the three month period ended March 31, 2006, a decrease of 64%. The decrease in general and administrative expenses over the comparative three month periods is attributable to a decrease in personnel costs, professional fees, accounting expenses, and costs attendant to financing activities. ComCam expects that general and administrative expenses will remain relatively consistent over the next twelve months.

Research and development expenses for the three month period ended March 31, 2007 decreased to \$4,250 from \$9,396 for the three month period ended March 31, 2006, a decrease of 55%. The decrease in research and development expenses over the comparative three month periods is due to insufficient financial resources to fund these activities in the current period. ComCam expects that research and development expenses will increase over the next twelve months subject to sufficient financial resources.

Depreciation and amortization expenses for the three month period ended March 31, 2007 and 2006 were \$2,934 and \$1,236, respectively.

## **Income Tax Expense (Benefit)**

ComCam has an income tax benefit resulting from net operating losses to offset any future operating profit. The net operating losses carry forwards at December 31, 2006, consisted of approximately \$8,225,007 which will begin to expire in the year 2019. The amount of net operating loss carry forwards that can be used in any one year can be limited by significant changes in the ownership of ComCam and by the applicable tax laws which are in effect at the time such carry forwards are utilized.

### **Impact of Inflation**

ComCam believes that inflation has had a negligible effect on operations over the past three years. We believe that we can offset inflationary increases in the cost of materials and labor by increasing sales and improving operating efficiencies.

### **Liquidity and Capital Resources**

Cash flow used in operations was \$39,148 for the three month period ended March 31, 2007, as compared to cash flow used in operations of \$189,835 for the three months ended March 31, 2006. The decrease in cash flows used in operating activities for the three month period ended March 31, 2007 can be primarily attributed to the reduction of losses incurred from operations and an increase in accrued expenses.

ComCam expects to continue to use cash flow in operating activities until such time as we transition from net losses to net profits.

Cash flows used in investing activities was \$0 for the three month periods ended March 31, 2007 and March 31, 2006. ComCam expects to use cash flow in investing activities in future periods.

Cash flow provided by financing activities was \$40,000 for the three month period ended March 31, 2007, as compared to \$16,750 for the three months ended March 31, 2006. Cash flow provided by financing activities for the three month period ended March 31, 2007 can be attributed to a loan from a related party. ComCam expects to generate additional cash flow from financing activities in future periods.

ComCam received a loan from ACC Investors as part of a Securities Purchase Agreement (“Agreement”) dated June 22, 2005 between the ComCam, International and ACC Investors. In addition to the loan, the Agreement provides for a 100% distribution of International common stock to our shareholders on a pro rata basis. The loan is documented as a secured convertible promissory note, with warrants attached, that bears interest at 8% per annum. The terms of the promissory note will cause ACC Investors to convert the principal amount and 55% of the interest accrued over the term into approximately 40% of the common shares of International on a fully diluted basis after the completion of the share distribution of International common stock. The conversion of the promissory note into International common shares will entitle the holders to certain registration rights defined in a registration rights agreement.

The Agreement also requires that ComCam cause International to file a registration statement with the Commission in anticipation of the share distribution and the conversion of the promissory note. The share distribution will be affected after the International registration statement is considered “effective” by the Commission. The conversion of the promissory note will be affected after the share distribution of the International common shares to ComCam’s shareholders. The Agreement anticipates the completion of the registration statement and the share distribution by June 30, 2007.

ComCam has funded its cash needs from inception through March 31, 2007 through revenues and a series of debt and equity transactions, including several private placements. Until such time as we can increase revenues and decrease expenses, we expect that we will require new debt or equity transactions to satisfy cash needs over the next twelve months.

ComCam had no formal long term lines or credit or other bank financing arrangements as of March 31, 2007.

Since earnings, if any, will be reinvested in operations, ComCam does not expect to pay cash dividends in the foreseeable future.

As of March 31, 2007, the ComCam had a working capital deficit of \$2,099,288, which deficit is primarily attributable the note payable to ACC Investors. Although we intend to expand operations through the calendar year ending December 31, 2007, the funding of such operations for the next twelve months and beyond cannot be assured. Our revenues are insufficient to fund operations and our working capital deficit remains significant. Management understands that we have substantial need for significant capital to build its business. Should we be unable to obtain additional funds either through revenue increases or additional debt or equity funding, we may be forced to curtail or cease our activities.

### **Capital Expenditures**

The ComCam made no significant capital expenditures on property or equipment for the three month periods ended March 31, 2007 or 2006.

ComCam does not expect to recognize significant capital expenditures or to require any additional consultants or employees over the next twelve months.

### **Going Concern**

ComCam's auditors have expressed an opinion as to our ability to continue as a going concern as a result of an accumulated deficit of \$6,950,269 as of December 31, 2006 which increased to \$7,021,834 as of March 31, 2007. Our ability to continue as a going concern is subject to the ability of ComCam to obtain a profit and/or obtaining the necessary funding from outside sources. Management's plan to address ComCam's ability to continue as a going concern, includes (i) realization of increased revenues from International's sales (ii) obtaining funding from private placement sources; (iii) obtaining additional funding from the sale of ComCam's securities; (iv) obtaining loans from shareholders as necessary, and (v) converting outstanding debt to equity. Although management believes that it will be able to obtain the necessary funding to allow ComCam to remain a going concern through the methods discussed above, there can be no assurances that such methods will prove successful.

### **Forward Looking Statements and Factors That May Affect Future Results and Financial Condition**

The statements contained in the section titled *Management's Discussion and Analysis*, with the exception of historical facts, are forward looking statements within the meaning of Section 27A of the Securities Act. A safe-harbor provision may not be applicable to the forward looking statements made in this prospectus because of certain exclusions under Section 27A (b). Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- the sufficiency of existing capital resources;
- our ability to raise additional capital to fund cash requirements for future operations;
- uncertainties involved in the rate of growth of ComCam's business and acceptance of products and services;
- the ability of ComCam to achieve and maintain an adequate customer base to have sufficient revenues to fund and maintain operations;
- the volatility of the stock market; and
- general economic conditions.



We wish to caution readers that ComCam's operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated, including the factors set forth in the section entitled "*Risk Factors*" included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than that is required by law.

### **Critical Accounting Policies**

In Note 2 to the audited consolidated financial statements for the years ended December 31, 2006 and 2005, ComCam discusses those accounting policies that are considered to be significant in determining the results of operations and its financial position. ComCam believes that the accounting principles utilized by us conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, we evaluate our estimates, including those related to bad debts, inventories, intangible assets, warranty obligations, product liability, revenue, and income taxes. ComCam bases our estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions. With respect to revenue recognition, ComCam applies the following critical accounting policies in the preparation of its financial statements.

#### ***Revenue Recognition***

We generate revenue through the sale of International's products to the private, commercial, industrial and governmental sectors of the security industry. Revenue from product sales is recognized at the time the product is shipped and invoiced and collectibility is reasonably assured. ComCam believes that revenue should be recognized at the time of shipment as title passes to the customer at the time of shipment.

#### ***Recent Accounting Pronouncements***

In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments-an amendment of FASB Statements No. 133 and 140", to simplify and make more consistent the accounting for certain financial instruments. SFAS No. 155 amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", to permit fair value re-measurement for any hybrid financial instrument with an embedded derivative that otherwise would require bifurcation, provided that the whole instrument is accounted for on a fair value basis. SFAS No. 155 amends SFAS No. 140, "Accounting for the Impairment or Disposal of Long-Lived Assets", to allow a qualifying special-purpose entity to hold a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 applies to all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006, with earlier application allowed. The adoption of this statement is not expected to have a material effect on ComCam's future reported financial position or results of operations.

In March 2006, the FASB issued SFAS No. 156, "*Accounting for Servicing of Financial Assets, an amendment of FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*". This statement requires all separately recognized servicing assets and servicing liabilities be initially measured at fair value, if practicable, and permits for subsequent measurement using either fair value measurement with changes in fair value reflected in earnings or the amortization and impairment requirements of Statement No. 140. The subsequent measurement of separately recognized servicing assets and servicing liabilities at fair value eliminates the necessity for entities that manage the risks inherent in servicing assets and servicing liabilities with derivatives to qualify for hedge accounting treatment and eliminates the characterization of declines in fair value as impairments or direct write-downs. SFAS No. 156 is effective for an entity's first fiscal year beginning after September 15, 2006. The adoption of this statement is not expected to have a material effect on ComCam's future reported financial position or results of operations.

In September 2006, the FASB issued SFAS No. 157, "*Fair Value Measurements*". The objective of SFAS 157 is to increase consistency and comparability in fair value measurements and to expand disclosures about fair value measurements. SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS No. 157 are effective for fair value measurements made in fiscal years beginning after November 15, 2007. The adoption of this statement is not expected to have a material effect on ComCam's future reported financial position or results of operations.

In September 2006, the FASB issued SFAS No. 158, "*Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans – an amendment of FASB Statements No. 87, 88, 106, and 132(R)*". This statement requires employers to recognize the overfunded or underfunded status of a defined benefit postretirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity or changes in unrestricted net assets of a not-for-profit organization. This statement also requires an employer to measure the funded status of a plan as of the date of its year-end statement of financial position, with limited exceptions. The provisions of SFAS No. 158 are effective for employers with publicly traded equity securities as of the end of the fiscal year ending after December 15, 2006. The adoption of this statement is not expected to have a material effect on ComCam's future reported financial position or results of operations.

In September 2006, the Commission issued Staff Accounting Bulletin ("SAB") No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements." SAB No. 108 addresses how the effects of prior year uncorrected misstatements should be considered when quantifying misstatements in current year financial statements. SAB No. 108 requires companies to quantify misstatements using a balance sheet and income statement approach and to evaluate whether either approach results in quantifying an error that is material in light of relevant quantitative and qualitative factors. SAB No. 108 is effective for periods ending after November 15, 2006. ComCam is currently evaluating the impact of adopting SAB No. 108 but does not expect that it will have a material effect on its financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159, "*The Fair Value Option for Financial Assets and Financial Liabilities*". This Statement permits entities to choose to measure many financial assets and financial liabilities at fair value. Unrealized gains and losses on items for which the fair value option has been elected are reported in earnings. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. ComCam is currently assessing the impact of SFAS No. 159 on its financial position and results of operations.

## **Risk Factors**

ComCam's operations and securities are subject to a number of risks. Below we have identified and discuss material risks that we face. Should any of the following risks occur, they will adversely affect our operations, business, financial condition and/or operating results as well as the future trading price and/or value of our securities.

### ***Risks Related to ComCam's Business***

#### ***COMCAM'S ABILITY TO CONTINUE AS A GOING CONCERN IS IN QUESTION***

ComCam's auditors included an explanatory statement in Note 2 of their report of financial statements for the years ended December 31, 2006 and 2005, stating that there are certain factors which raise substantial doubt about our ability to continue as a going concern. These factors include: (i) we have limited revenue generating activities in place, and (ii) we have incurred losses since inception.

#### ***COMCAM HAS A HISTORY OF LOSSES AND MAY INCUR LOSSES FOR THE FORESEEABLE FUTURE***

Since we began operations in 1999, our expenses have substantially exceeded our revenue, resulting in continuing losses and an accumulated deficit of \$7,021,834 at March 31, 2007. During the three month period ended March 31, 2007, we recorded a net loss of \$71,565. We have yet to achieve profitability and we can give no assurances that we will achieve profitability within the foreseeable future or that we will ever achieve or sustain profitability or that our operating losses will not increase in the future.

#### ***IF COMCAM DOES NOT GENERATE SUFFICIENT CASH FLOW FROM OPERATIONS AND IS UNABLE TO OBTAIN ADDITIONAL CAPITAL TO OPERATE ITS BUSINESS, WE MAY NOT BE ABLE TO EFFECTIVELY CONTINUE OPERATIONS***

ComCam currently has a working capital deficit of \$2,099,288. We may not be able to generate sufficient cash flow from operations to operate our business. Should we be unable to generate sufficient cash flow from operations to operate our business and are unable to secure additional capital to cover any short fall in operations, such condition would cause a reduction in expenditures which could have a material adverse effect on our ability to effectively continue operations.

#### ***COMCAM WILL NEED ADDITIONAL FINANCING TO FUND OPERATIONS***

ComCam will need additional capital to fund our operations. In our efforts to raise capital or obtain additional financing, we may be obligated to issue additional shares of common stock or warrants or other rights to acquire common stock on terms that will result in dilution to existing shareholders or place restrictions on operations. If adequate funds are not available or are not available on acceptable terms, our ability to take advantage of unanticipated opportunities would be significantly limited.

### ***Risks Related to ComCam International, Inc.***

#### ***THE VIDEO MONITORING SURVEILLANCE INDUSTRY IS SUBJECT TO RAPID TECHNOLOGICAL CHANGE AND INTERNATIONAL'S PRODUCTS COULD BECOME OBSOLETE AT ANY TIME***

Evolving technology, updated industry standards, and frequent new product and service introductions characterize the video surveillance market; International's products could become obsolete at any time. Competitors could develop products similar to or better than International's, finish development of new technologies in advance of International's research and development, or be more successful at marketing new products, any of which factors may hurt International's prospects for success.

#### ***THE MARKET ACCEPTANCE OF INTERNATIONAL'S PRODUCTS IS CRITICAL TO INTERNATIONAL'S GROWTH***

International generates revenue from the design and sale of video surveillance systems; therefore, market acceptance of International's products is critical to growth. If International's customers do not accept or purchase International's products, then International's revenue, cash flow and/or operating results will be negatively impacted.

#### ***INTERNATIONAL COMPETES WITH LARGER AND BETTER-FINANCED CORPORATIONS***

Competition within the market for fixed and mobile commercial video cameras and other equipment communication systems is intense. While International's products are distinguished by next-generation innovations that are more sophisticated, flexible and cost effective than many competitive products currently in the market place, a number of entities offer video surveillance systems, and new competitors may enter the market in the future. Some of International's existing and potential competitors have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical and marketing resources than International does, including well known multi-national corporations like Sony and JVC.

#### ***MISAPPROPRIATION OF PROPRIETARY RIGHTS OR CLAIMS OF INFRINGEMENT OR LEGAL ACTIONS RELATED TO INTELLECTUAL PROPERTY COULD ADVERSELY IMPACT INTERNATIONAL'S FINANCIAL CONDITION***

International's success depends significantly on protecting its proprietary technology. Despite International's efforts to protect its proprietary rights, unauthorized parties may attempt to copy or otherwise obtain and use International's technology or products. Monitoring unauthorized use of International's technology is difficult, and International cannot be certain that the steps it has taken will prevent misappropriation of its technology, particularly in foreign countries where the laws may not protect proprietary rights as fully as in the United States.

In addition, from time to time, third parties may assert patent, copyright, trademark and other intellectual property rights claims against International with respect to existing or future products or technology. If there is a successful claim of infringement and International fails or is unable to develop non-infringing technology or license the infringed or similar technology on a timely basis, International's business and results of operations could be seriously harmed.

### *INTERNATIONAL MAY NOT DEVELOP A PUBLIC MARKET*

International has registered itself with the Commission as a reporting company, and will seek a quotation on the OTCBB. However, if International does not obtain a quote for its shares on the OTCBB, it is possible that no public market for International's shares will ever develop. Additionally, even if International does obtain a quote on the OTCBB, a public market for its shares may never develop.

### *Risks Related to ComCam's Stock*

#### *COMCAM HAS SECURED FINANCING WHICH COULD NEGATIVELY IMPACT OUR SHAREHOLDERS*

In June of 2005, ComCam and International procured a loan from ACC Investors, LLC, ("ACC Investors") which requires a distribution of 100% of International's shares to the shareholders of ComCam, which distribution is expected to take place in 2007. The distribution will likely affect ComCam's shareholders because it will leave ComCam without an operating business.

The loan from ACC Investors was secured by a convertible promissory note for a total of \$1,100,000 at an interest rate of 8% per annum. The terms of the promissory note allow ACC Investors to convert the principal amount into 33% of the common shares of International and 55% of the interest into common shares of International on a fully diluted basis after the completion of the share distribution of International's common stock. Additionally, the agreement with ACC Investors dated June 22, 2005, includes warrants to purchase shares of International's common stock: up to 22% of the shares outstanding immediately prior to the conversion of the promissory note.

If the convertible promissory note is converted into shares and/or the warrants are executed, the conversion and/or execution will dilute International's existing shares or place restrictions on operations. If the loan is paid in cash, the payment will tie up funds for furthering International's marketing plan and as well as research and development goals.

Additionally, if ACC Investors converted all of their shares and executed all of their warrants, ACC Investors could own more than 38% percent of the issued and outstanding shares of International. This would give ACC Investors significant influence over International's policies and affairs and ACC Investors could be in a position to determine the outcome of corporate actions requiring stockholder approval. These actions may include, for example, the election of directors, the adoption of amendments to our corporate documents and the approval of mergers and sales of International's assets.

#### *THE MARKET FOR OUR STOCK IS LIMITED AND OUR STOCK PRICE MAY BE VOLATILE*

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

***WE MAY INCUR SIGNIFICANT EXPENSES AS A RESULT OF BEING REGISTERED WITH THE COMMISSION, WHICH MAY NEGATIVELY IMPACT OUR FINANCIAL PERFORMANCE***

We incur significant legal, accounting and other expenses as a result of being registered with the Commission. The Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission has required changes in corporate governance practices of public companies. We expect that compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002 as discussed in the following risk factor, may substantially increase our expenses, including our legal and accounting costs, and make some activities more time-consuming and costly. As a result, there may be a substantial increase in legal, accounting and certain other expenses in the future, which would negatively impact our financial performance and could have a material adverse effect on our results of operations and financial condition.

***OUR INTERNAL CONTROLS OVER FINANCIAL REPORTING MAY NOT BE CONSIDERED EFFECTIVE, WHICH COULD RESULT IN A LOSS OF INVESTOR CONFIDENCE IN OUR FINANCIAL REPORTS AND IN TURN HAVE AN ADVERSE EFFECT ON OUR STOCK PRICE.***

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, beginning with our annual report for the year ending December 31, 2008, we may be required to furnish a report by our management on our internal controls over financial reporting. Such report will contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. The report will also contain a statement that our independent registered public accounting firm has issued an attestation report on management's assessment of internal controls. If we are unable to assert that our internal controls are effective as of December 31, 2008, or if our independent registered public accounting firm is unable to attest that our management's report is fairly stated or they are unable to express an opinion on our management's evaluation or on the effectiveness of our internal controls, investors could lose confidence in the accuracy and completeness of our financial reports, which in turn could cause our stock price to decline.

**ITEM 3. CONTROLS AND PROCEDURES**

ComCam's president acts both as ComCam's chief executive officer and chief financial officer and is responsible for establishing and maintaining disclosure controls and procedures for ComCam.

**(a) Evaluation of Disclosure Controls and Procedures**

Under the supervision and with the participation of management, including the chief executive officer and chief financial officer, ComCam evaluated the effectiveness of the design and operation of its disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ("Exchange Act"), as of March 31, 2007. Based on this evaluation, the chief executive officer and chief financial officer concluded that, as of the end of the period covered by this report, the disclosure controls and procedures were effective and adequately designed to ensure that the information required to be disclosed in the reports submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms and that such information was accumulated and communicated to ComCam's chief executive officer and chief financial officer, in a manner that allowed for timely decisions regarding required disclosure.

(b) Changes in Internal Controls

During the period ended March 31, 2007, there has been no change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, ComCam's internal control over financial reporting.

**PART II**

**ITEM 1. LEGAL PROCEEDINGS**

None.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES**

None.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

None.

**ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

None.

**ITEM 5. OTHER INFORMATION**

On May 22, 2007, ComCam was advised by the NASD that it was delinquent in its reporting obligations three times in a 24 month period and therefore was no longer eligible to quotation on the Over the Counter Bulletin Board for a period of one year. Accordingly, ComCam's securities were removed from quotation on the OTCBB effective at the open of business on May 31, 2007. ComCam will continue to be quoted on the Pink Sheets LLC.

On January 10, 2005, ComCam elected to be regulated as a Business Development Company ("BDC") as outlined in the Investment Company Act of 1940 by filing a Form NT-54A with the Securities and Exchange Commission ("Commission"). On December 28, 2006, the holders of a majority of the outstanding shares of ComCam's common stock entitled to vote executed a written consent that approved the withdrawal of our BDC election. Subsequent to the year ended December 31, 2006, on March 9, 2007, we filed a notice of our withdrawal on Form NT-54C with the Commission.

**ITEM 6. EXHIBITS**

Exhibits required to be attached by Item 601 of Regulation S-B are listed in the Index to Exhibits on page 25 of this Form 10-QSB, and are incorporated herein by this reference.

## **SIGNATURES**

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, this 31<sup>st</sup> day of May, 2007.

**COMCAM, INC.**

/s/ Don Gilbreath

Don Gilbreath

Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer and Director



## INDEX TO EXHIBITS

<b><u>Exhibit No.</u></b>	<b><u>Page No.</u></b>	<b><u>Description</u></b>
3(i)(a)	*	Certificate of Incorporation dated December 5, 1997 (incorporated by reference to the Form 10-SB filed on September 20, 1999).
3(i)(b)	*	Amendment to Certificate of Incorporation dated February 28, 1998. (incorporated by reference to the Form 10-SB filed on September 20, 1999).
3(i)(c)	*	Amendment to Certificate of Incorporation dated March 15, 1998. (incorporated by reference to the Form 10-SB filed on September 20, 1999).
3(i)(d)	*	Amendment to Certificate of Incorporation dated June 3, 2002. (incorporated by reference to the Form 10-KSB/A filed on August 8, 2002).
3(i)(e)	*	Amendment to the Certificate of Incorporation dated December 2, 2004. (incorporated by reference to the Form 10KSB/A filed on May 19, 2005).
3(ii)	*	Bylaws (incorporated by reference to the Form 10-SB filed on September 20, 1999).
4	*	Amended and Restated Certificate of Designation, the Number, Powers, Preferences, Qualifications, Limitations, Restrictions, and Other Distinguishing Characteristics of Series A Preferred Stock of ComCam, Inc. (incorporated by reference to the Form 8-K dated December 5, 2005).
10(i)	*	Stock exchange agreement between ComCam, Inc., and ComCam International, Inc., dated May 8, 2002 (incorporated by reference to the Form 10-SB/A, filed with the Commission on June 26, 2006).
10(ii)(a)	*	Securities Purchase Agreement between ComCam, Inc., ComCam International, Inc., and ACC Investors, LLC, dated June 22, 2005 (incorporated by reference to ComCam, Inc.'s Form 8-K filed June 30, 2005).
10(ii)(b)	*	Promissory Note for ACC Investors, LLC, dated June 22, 2005 (incorporated by reference to the Form 10-SB/A, filed with the Commission on June 26, 2006).
10(ii)(c)	*	Warrants of ACC Investors, LLC, dated June 22, 2005 (incorporated by reference to the Form 10-SB/A, filed with the Commission on June 26, 2006).
10(ii)(d)	*	Warrants of ACC Investors, LLC, dated June 22, 2005 (incorporated by reference to the Form 10-SB/A, filed with the Commission on June 26, 2006).
10(ii)(e)	*	Registration Rights Agreement with of ACC Investors, LLC, dated June 22, 2005 (incorporated by reference to the Form 10-SB/A, filed with the Commission on June 26, 2006).
10(ii)(f)	*	Shareholders Agreement between Don Gilbreath and ACC Investors, LLC. Dated June 22, 2005 (incorporated by reference to the Form 10-SB/A-2, filed with the Commission on October 31, 2006).
10(iii)	*	Employment agreement between ComCam, Inc., ComCam International, Inc. and Don Gilbreath dated June 22, 2005 (incorporated by reference to the Form 10-SB/A, filed with the Commission on June 26, 2006).
10(iv)	*	Asset Purchase Agreement between ComCam, Inc. and HNI, LLC dated February 14, 2007 (incorporated by reference to the Form 8-K, filed with the Commission on February 15, 2007).
14	*	Code of Ethics adopted March 1, 2004 (incorporated by reference to the Form 10-KSB filed April 14, 2004).
31	26	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	27	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99(i)	*	Audit Committee Charter adopted January 26, 2005 (incorporated by reference to the Form 10-KSB/A filed May 19, 2005).
*		Incorporated by reference to prior filings with the Commission.

## EXHIBIT 31

### CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Don Gilbreath certify that:

1. I have reviewed this report on Form 10-QSB ("Report") of ComCam, Inc.;
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the period presented in this Report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the small business issuer is made known to me by others within those entities, particularly during the period in which this Report is being prepared;
  - b) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this Report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Report based on such evaluation; and
  - c) Disclosed in this Report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation, to the small business issuer's auditors and the audit committee of small business issuer's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal controls over financial reporting.

Date: May 31, 2007

/s/ Don Gilbreath

Don Gilbreath

Chief Executive Officer and Chief Financial Officer

## EXHIBIT 32

### **CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the report on Form 10-QSB of ComCam, Inc. for the quarterly period ended March 31, 2007 as filed with the Securities and Exchange Commission on the date hereof ("Report"), I, Don Gilbreath, do hereby certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) This Report complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in this Report fairly represents, in all material respects, the financial condition of the small business issuer at the end of the period covered by this Report and results of operations of the small business issuer for the period covered by this Report.

/s/ Don Gilbreath

Don Gilbreath

Chief Executive Officer and Chief Financial Officer

May 31, 2007

This certification accompanies this Report pursuant to §906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the small business issuer for the purposes of §18 of the Securities Exchange Act of 1934, as amended. This certification shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of this Report), irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by §906 has been provided to the small business issuer and will be retained by the small business issuer and furnished to the Securities and Exchange Commission or its staff upon request.