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

FORM 10-QSB/A

X__Quarterly report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the period ended June 30, 2002.

___Transition report under section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ______ to ______.

PACIFIC CMA, INC.
(Exact name of registrant as specified in its charter)

Colorado	0-27653	84-1475073
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

4750 Table Mesa Drive Boulder, CO	80301
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (303) 494-3000

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities 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 ....

Applicable only to issuers involved in bankruptcy proceedings during the past five years.
Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes ..... No .....

Applicable only to corporate issuers
State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: At June 30, 2002, there were 23,174,550 shares outstanding.

Transitional Small Business Disclosure Format (Check one): Yes ..... No ..X..

EXPLANATORY NOTE

We are filing this Form 10-QSB/A for the period ended June 30, 2002, to reflect the restatement of our Condensed Consolidated Financial Statements for that period. As described below in Note 1 to our Condensed Consolidated Financial Statements, based upon a review of applicable accounting rules and interpretations, we have decided to restate certain previously issued financial statements. The financial statements being restated include those for the second and third quarters of 2002, the full year of 2002 and the first quarter of 2003.

The restatement is attributable only to the recognition of a non-contractual customer relationship intangible asset at April 30, 2002, the date of acquisition of Airgate International Corporation ("Airgate"), as well as its corresponding amortization charges and tax benefits. The restatement decreased our net income for the six-month period ended June 30, 2002, by $111,083, from $292,507 or $0.01 per share, as originally reported, to $181,424, or $0.01 per share. As a result, the restatement also reduced our retained earnings as of June 30, 2002, by $111,083. Operating expenses and provision for income taxes for the period ended June 30, 2002 have also been restated in the accompanying financial statements.

Any items included in the original report on Form 10-QSB for the period ended June 30, 2002, that are not included herein are not amended and remain in effect as of the date of the original filing thereof. Additionally, this Form 10-QSB/A does not purport to provide a general update or discussion of any other developments subsequent to the original filing.

The filing of this Form 10-QSB/A shall not be deemed to be an admission that the original filing, when made, included any untrue statement of material fact or omitted to state a material fact necessary to make a statement contained therein not misleading.

PART 1 - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS AND EXHIBITS

(a) The unaudited financial statements of registrant for the six months ended June 30, 2002, follow. The financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim period presented.

PACIFIC CMA, INC.
(A Development Stage Company)
FINANCIAL STATEMENTS

Quarter Ended June 30, 2002

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PART 1 FINANCIAL INFORMATION

ITEM 1 FINANCIAL STATEMENTS

PACIFIC CMA, INC.
(CONDENSED CONSOLIDATED BALANCE SHEETS)

	(Unaudited) June 30, 2002 US$	December 31, 2001 US$
ASSETS		
Current assets		
Cash and cash equivalents	**506,960**	841,472
Restricted cash	**2,118,752**	1,450,896
Trade receivables	**4,454,720**	3,217,839
Deposits, prepayments and other	**1,224,702**	414,476
Loan receivable	**457,692**	435,385
Tax refundable	**4,923**	24,453
Total current assets	**8,767,749**	6,384,521
Property, plant and equipment, net	**334,649**	305,679
Goodwill	**2,680,193**	4,605
Intangible asset, net	**2,764,667**	
Deferred taxes	**2,613**	12,815
Total assets	**14,549,871**	6,707,620

See notes to condensed consolidated financial statements.

PACIFIC CMA, INC.
(CONDENSED CONSOLIDATED BALANCE SHEETS)

	(Unaudited) June 30, 2002 US$	December 31, 2001 US$
LIABILIITES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Bank overdrafts	**836,999**	-
Trade payables	**6,319,431**	2,683,250
Accrued charges and other creditors	**361,840**	182,880
Due to a director	**331,121**	3,675
Obligations under finance leases	**17,736**	33,548
Debt maturing within one year	**343,570**	232,667
	-	
Total current liabilities	**8,210,697**	3,136,020
Obligations under finance leases	**7,888**	19,961
Deferred tax liability	**584,498**	-
Due to a director	**300,000**	-
Debt maturing over one year	**300,000**	-
Total liabilities	**9,403,083**	3,155,981
Stockholders' equity		
Common stock with no par value	**51,165**	51,165
Treasury stock	**(180,000)**	(180,000)
Additional paid-in capital	**3,380,443**	1,966,718
Other comprehensive loss	**(8,325)**	(8,325)
Retained earnings	**1,903,505**	1,722,081
Total stockholders' equity	**5,146,788**	3,551,639
Total liabilities and stockholders' equity	**14,549,871**	6,707,620

See notes to condensed consolidated financial statements.

PACIFIC CMA, INC.
(CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS)

	(Unaudited) Six months ended June 30,		(Unaudited) Three months ended June 30,	
	2002	2001	**2002**	2001
	US$	US$	**US$**	US$
Freight forwarding income	**13,546,135**	5,220,743	**10,569,264**	2,896,133
Operating expenses				
Cost of forwarding	**(11,244,767)**	(3,953,714)	**(8,896,061)**	(2,204,818)
Selling and administrative expenses	**(1,873,974)**	(979,421)	**(1,282,752)**	(535,921)
Depreciation and amortization	**(198,226)**	(95,571)	**(148,384)**	(51,103)
Total operating expenses	**(13,316,967)**	(5,028,706)	**(10,327,197)**	(2,791,842)
Income from operations	**229,168**	192,037	**242,067**	104,291
Non-operating income				
Net gain on disposal of a subsidiary	**11,390**	24,282	**11,390**	24,282
Interest and other income	**53,534**	35,749	**39,450**	10,520
Interest expenses	**(40,117)**	(5,549)	**(25,363)**	(1,668)
Net non-operating income	**24,807**	54,482	**25,477**	33,134
Income before income taxes	**253,975**	246,519	**267,544**	137,425
Provision for income taxes	**(72,551)**	(39,443)	**(67,290)**	(21,988)
Net income	**181,424**	207,076	**200,254**	115,437
Other comprehensive income				
Foreign currency translation adjustments	**-**	(5,412)	**-**	1
Comprehensive income	**181,424**	201,664	**200,254**	115,438
Net income per share				
Weighted average number of shares outstanding				

Basic	**20,368,713**	20,716,649	**20,368,713**	20,902,423
Diluted	**20,552,380**	20,916,649	**20,552,380**	21,102,423
Net income per share of common stock **Basic and Diluted**	**0.01**	0.01	**0.01**	0.01

See notes to condensed consolidated financial statements.

PACIFIC CMA, INC.
(CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS)

	(unaudited) June 30, 2002 US$	(unaudited) June 30, 2001 US$
Cash flows from operating activities:		
Net income	**181,424**	207,076
Adjustments to reconcile net income to net cash used in operating activities		
Depreciation and amortization	**198,226**	95,571
Loss on disposal of property, plant and equipment	**896**	14,879
Net gain on disposal of a subsidiary	**(11,390)**	(24,282)
Compensation cost	**53,725**	-
Changes in working capital:		
Tax refundable	**19,530**	754
Deposits received		(12,363)
Accounts receivable	**618,502**	377,578
Deposits, prepayments and other	**(442,0366)**	(47,322)
Deferred taxes	**10,202**	(27,999)
Accounts payable	**(196,622)**	(867,517)
Accrued charges and other creditors	**(33,026)**	137,982
Bill payable	**-**	96,355
Tax payable	**5,521**	44,077
Net cash provided by (used in) operating activities	**404,952**	(5,211)
Cash flows from investing activities:		
Loan receivable	**68,267**	(115,384)
Due from (to) other related parties	**-**	(196,379)
Acquisition of property, plant and equipment	**(69,503)**	(169,898)
Sales proceeds from disposal of property, plant and equipment	**2,179**	14,103
Acquisition of a subsidiary	**(313,618)**	-
Disposal of a subsidiary	**(36,622)**	149,766
Net cash used in investing activities	**(349,297)**	(317,792)
Cash flows from financing activities:		
Restricted cash	**(667,856)**	(1,387,294)
Fixed deposits	**-**	(687)
Inception of new hire purchase contracts	**-**	62,820
Capital element of hire purchase payments	**(18,002)**	(43,447)
Advanceto a director	**(354,257)**	(133,523)
Inception of other loans	**(50,117)**	-
Capital element of other loan payments	**(138,980)**	-

Bank overdrafts	**836,999**	-
Additional paid-in capital	**-**	123,325
Unsecured bank loan	**-**	89,744
Net cash used in financing activities	**(392,213)**	(1,289,062)
Net decrease in cash and cash equivalents	**(336,558)**	(1,612,065)
Exchange difference	**2,046**	(3,612)
Cash and cash equivalents at beginning of period	**841,472**	2,345,816
Cash and cash equivalents at end of period	**506,960**	730,139

See notes to condensed consolidated financial statements.

PACIFIC CMA, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Pacific CMA, Inc. (the "Company") and its subsidiaries (the "Group") as of December 31, 2001 and June 30, 2002 and for the six months and three months ended June 30, 2001 and 2002 have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X of the Securities Exchange Act of 1934. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of the Company's management, all adjustments, consisting only of normal recurring adjustments, considered necessary to present fairly the condensed consolidated financial statements have been made.

The condensed consolidated statement of operations for the six months and three months ended June 30, 2002 and 2001, and cash flows for the six months ended June 30, 2002 and 2001 are not necessarily indicative of the results that may be expected for the entire year. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the related notes thereto for the year ended December 31, 2001 included in the Company's Form 10-K filed on March 31, 2002.

Restatement of financial statements

Subsequent to the issuance of the Group's 2002 and 2003 first quarter consolidated financial statements, management determined that the financial statements for 2002's second and third quarters, 2002 full year, as well as 2003 first quarter required restatement due to the recognition of a non-contractual customer relationship intangible asset at the date of acquisition of Airgate.

The Airgate acquisition occurred on April 30, 2002, shortly after the required implementation date of SFAS No. 141 and SFAS No. 142. At the time of the transaction, the Company made a diligent attempt to apply the provisions of SFAS No. 141. It determined that it did not have a legal-contractual relationship with its customers. Further, it did not believe that its relationship with its customers met the 'separability' criterion. However, the Company understands that in adopting SFAS 141, practice has evolved which considers a broader concept of customer relationship intangibles. Accordingly, the management believes that a portion of the purchase price of Airgate should be assigned to a non-contractual customer relationship intangible asset with its corresponding deferred tax liability recognized in accordance with SFAS No. 109.

The restatement is attributable only to the recognition of a non-contractual customer relationship, its amortization charges as well as the corresponding tax benefits. The restatement decreased the Group's 2002 first two quarters' net income by $111,083 from $292,507 or $0.01 per share, as originally reported, to $181,424 or $0.01 per share. As a result, the restatement reduced the Group's retained earnings by $111,083 from $2,014,588 as originally reported, to $1,903,505. Operating expenses and provision for income taxes for the 2002 second quarter presented herein have been restated.

Note 2. Principles of Consolidation

The condensed consolidated financial statements include the financial statements of the Company and its subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Note 3. Comprehensive Income

Comprehensive income consists of net income and other gains and losses affecting stockholders' equity that, under accounting principles generally accepted in the United States of America, are excluded from net income. For the Group, the components of comprehensive income consist of net income and foreign currency translation gains and losses resulting from the translation of subsidiaries' financial statements denominated in currencies other than United States dollars into United States dollars.

The components of total comprehensive income for the six months and three months ended June 30, 2002 and 2001 are presented in the following table:

	(Unaudited) Six months ended June 30,		(Unaudited) Three months ended June 30,	
	2002	2001	**2002**	2001
	US$	US$	**US$**	US$
Net income	**181,424**	207,076	**200,254**	115,437
Other comprehensive income (loss)				
Foreign currency translation adjustments	**-**	(5,412)	**-**	1
Comprehensive income	**181,424**	201,664	**200,254**	115,438

Note 4. Earnings Per Share

The following is a reconciliation of the numerator and denominator of basic and diluted earnings per share

	(unaudited) Six Months Ended June 30,						(unaudited) Three Months Ended June 30,					
	2002			2001			2002			2001		
	Income	Shares	Per-Share Amount	Income	Shares	Per-Share Amount	Income	Shares	Per-Share Amount	Income	Shares	Per-Share Amount
	US$		*US$*	*US$*		*US$*	*US$*		*US$*	*US$*		*US$*
Net Income	181,424			207,076			200,254			115,437		
Basic EPS												
Income available to common stockholders	181,424	20,559,671	0.01	207,076	20,716,649	0.01	200,254	20,559,671	0.01	115,437	20,902,423	0.01
Effect of dilutive securities												
Stock options	-	183,667		490	200,000		-	183,667		245	200,000	
Diluted EPS												
Income available to common stockholders and assumed conversions	181,424	20,743,338	0.01	207,566	20,916,649	0.01	200,254	20,743,338	0.01	115,682	21,102,423	0.01

Stock options were granted to purchase 200,000 shares of common stock at an exercise price of US$0.098 on September 1, 2000. These options are still outstanding at the end of June 30, 2002 and will expire on August 31, 2005.

During the period of first and second quarters, stock grants to purchase an aggregate of 46,500 and 179,000 shares of common stock respectively have been granted and exercised at an exercise price of $nil pursuant to the terms stipulated in the Company's 2000 Stock Plan.

Note 5. Common Stock

As of December 31, 2000, the Company's authorized capital stock comprised of 100,000,000 shares of common stock, no par value and 10,000,000 shares of preferred stock, no par value. As of the same date, the Company's issued and outstanding capital stock comprised of 20,400,000 shares of common stock and no shares of preferred stock.

During the period from February, 20, 2001 to March 31, 2001, an aggregate of 342,000 shares of common stock were issued at a price of US$0.25 per share pursuant to a private placement. The proceeds from this issue, net of issuing expenses of US$10,000, were credited to additional paid-in-capital.

Subsequent to March 31, 2001, the private placement continued. Up to April 30, 2001, a further 191,300 shares of common stock was issued at a price of US$0.25 per share.

Details of the private placement are documented in the private placement memorandum dated March 31, 2001. The aggregate number of 533,300 shares of common stock issued pursuant to the private placement have been registered for resale under a prospectus filed on August 21, 2001.

On September 1, 2001 and November 14, 2001, an aggregate of 215,750 shares of common stock was issued pursuant to the Company's 2000 Stock Plan. These shares are valued at approximately $38,835.

On November 27, 2001, 1,000,000 shares of common stock were reacquired and recorded as treasury stock. The fair value of shares cancelled was $180,000.

Pursuant to an agreement (the "Stock Purchase Agreement") dated December 4, 2001 entered into between InfinityVentures Net, Inc. (the "Selling Shareholder") and the Company, 1,100,000 shares of common stock were issued to the Selling Shareholder at an initial purchase price of $0.0001 per share on December 19, 2001. These 1,100,000 shares were issued in a stock purchase transaction which was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933 or Rule 505 or 506 promulgated thereunder.

The Stock Purchase Agreement contained several rights and obligations between the parties which have the effect of changing the actual purchase price for the shares. These included a

"Call Right" which allowed the Company to repurchase the shares unless the Selling Shareholder contributed additional capital to the Company, a "Release Right" which allowed the Selling Shareholder to cancel the Company's call right by contributing additional capital, and a "Put Right" which required the Company to repurchase a portion of the shares in certain circumstances.

Note 5 Common Stock (Continued)

In conjunction with the Stock Purchase Agreement, pursuant to a registration statement filed with the SEC on December 31,2001, the Selling Shareholder intended to offer these 1,100,000 shares of common stock at market price. However, there was a dispute with the Selling Shareholder concerning the issue of whether the shares, with the understanding that they would be subject to the Company's call right, remained valid even though it was not possible to get the registration statement for the shares approved by the SEC. The SEC would not accept the structure of the transaction unless the Selling Shareholder was legally obligated to pay the additional consideration. The Selling Shareholder refused to agree to an unconditional obligation to pay for the shares so it was not possible to get the registration statement approved to the transaction. For this reason, a "Request for Withdrawal" for the private placement was filed on February 8, 2002. These 1,100,000 shares of common stock were then cancelled and the initial purchase price of $110 was returned to the Selling Shareholder.

For accounting purposes, these 1,100,000 shares of common stock were excluded from the outstanding capital stock of the Company to reflect the substance of the whole transaction.

On February 12, 2002 and March 9, 2002, an aggregate of 46,500 shares of common stock was issued pursuant to the Company's 2000 Stock Plan (note 4). These shares are valued at approximately $11,625.

On April 14, 2002 and May 22, 2002, an aggregate of 179,000 shares of common stock was issued pursuant to the Company's 2000 Stock Plan (note 4). These shares are valued at approximately $42,100.

On May 21, 2002, the Company issued 1,700,000 shares of common stock to finance the partial consideration of the acquisition of the subsidiary. These shares are valued at approximately $1,360,000.

As of June 30, 2002, the Company's issued and outstanding capital stock comprised of 22,074,550 shares of common stock, 1,000,000 shares of treasury stock and no shares of preferred stock.

Note 6. Pledge of Assets

At balance sheet date, the Group had pledged the following assets:

(a) Restricted cash deposits of $2,118,752 in respect of general banking facilities granted by bankers.

(b) Shares in the newly acquired subsidiary (representing 81% interest) to the sellers in respect of the consideration payable to them for the acquisition of the subsidiary.

Note 7. Segment Information

(a) Business segments

The Group operates mainly in three business segments, being the provision of (i) air forwarding, (ii) sea forwarding and (iii) land forwarding services. The accounting policies adopted by the Group for segment reporting are described in the summary of significant accounting policies in the Company's Form 10-K filed for the year ended December 31, 2001.

(i) The following table summarized the Group's operations for the six months ended June 30, 2002 and 2001 analyzed into air, sea and land forwarding services:

	Air Forwarding		Sea Forwarding		Land Forwarding		Total	
	2002	2001	2002	2001	2002	2001	2002	2001
	US$	US$	US$	US$	US$	US$	US$	US$
Turnover	9,443,007	3,611,650	4,097,192	1,550,538	5,936	58,555	13,546,135	5,220,743
Cost of forwarding	(7,849,712)	(2,721,311)	(3,381,663)	(1,189,043)	(13,393)	(43,360)	(11,244,768)	(3,953,714)
Depreciation and amortization	(98,546))	(18,229)	(29,665)	(16,446)	(3,793)	(9,295)	(132,004))	(43,970)
Interest expenses	(17,449)	-	-	-	(771)	(4,972)	(18,220)	(4,972)
Other segment expenses attributable to segment	(619,934)	(307,495)	(251,073)	(119,781)	(13,056)	(40,821)	(884,063)	(468,097)
Taxation	(95,310)	(27,596)	22,759	(11,847)	-	-	(72,551)	(39,443)

Segment income (loss)	762,056	537,019	457,550	213,421	(25,077)	(39,893)	1,194,529	710,547
Net other unallocated expenses							(1,013,105)	(503,471)
Net income							181,424	207,076
Goodwill	2,010,145	4,605	670,048	-	-	-	2,680,193	4,605
Intangible asset, net	2,073,500	-	691,167	-	-	-	2,764,667	-
Other assets	6,868,428	4,272,949	2,235,241	1,354,879	1,342	67,180	9,105,011	5,695,008
Total assets	10,952,073	4,277,554	3,596,456	1,354,879	1,342	67,180	14,549,871	5,699,613

PACIFIC CMA, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 7. Segment Information (continue)

(a) Business segments (continue)

(ii) The following table summarized the selected segment data for the three months ended June 30, 2002 and 2001 (unaudited):

	Air Forwarding		Sea Forwarding		Land Forwarding		Total	
	2002	2001	2002	2001	2002	2001	2002	2001
	US$	US$	US$	US$	US$	US$	US$	US$
Turnover	7,335,080	2,001,211	3,234,184	865,728	-	29,194	10,569,264	2,896,133
Cost of forwarding	(6,087,934)	(1,515,064)	(2,808,127)	(666,827)	-	(22,927)	(8,896,061)	(2,204,818)
Depreciation and amortization	(87,287)	(11,468)	(27,608)	(8,975)	-	(3,793)	(114,895)	(24,236)
Interest expenses	(11,475)	-	-	-	-	(1,542)	(11,475)	(1,542)
Other segment expenses attributable to segment	(440,176)	(166,213)	(145,435)	(64,730)	-	(11,777)	(585,611)	(242,720)
Taxation	(90,049)	(15,348)	22,759	(6,640)	-	-	(67,290)	(21,988)
Segment income (loss)	618,159	293,118	275,773	118,556	-	(10,845)	893,932	400,829

Net other unallocated expenses							(693,678)	(285,392)
Net income							200,254	115,437

Goodwill	2,010,145	4,605	670,048	-	-	-	2,680,193	4,605
Intangible asset, net	2,073,500	-	691,167	-	-	-	2,764,667	-
Other assets	6,868,428	4,272,949	2,235,241	1,354,879	1,342	67,180	9,105,011	5,695,008
Total assets	10,952,073	4,277,554	3,596,456	1,354,879	1,342	67,180	14,549,871	5,699,613

Note 7. Segment Information (continue)

(b) Geographical segments

The table below summarized the Group's turnover for the six months and three months ended June 30, 2001 and 2000 analyzed into geographical locations:

	(unaudited) Six months ended June 30,		(unaudited) Three months ended June 30,	
	2002	2001	2002	2001
	US$	US$	US$	US$
Turnover				
* IATA Area 1	4,707,682	2,228,627	2,599,282	1,291,903
* IATA Area 2	1,278,074	20,269	1,115,208	11,561
* IATA Area 3	7,560,379	2,971,847	6,854,774	1,592,669
TOTAL	13,546,135	5,220,743	10,569,264	2,896,133

	(unaudited) As of June 30, 2002			(unaudited) As of June 30, 2001		
	Trade receivables	Other assets	Total assets	Trade receivables	Other assets	Total assets
	US$	*US$*	*US$*	*US$*	*US$*	*US$*
Assets						
*IATA Area 1	3,410,465	5,991,081	9,401,546	1,642,621	-	1,642,621
*IATA Area 2	160,720	-	160,720	6,742	-	6,742
*IATA Area 3	883,534	4,104071	4,987,605	720,866	3,329,384	4,050,250
TOTAL	4,454,719	10,095,152	14,549,871	2,370,229	3,329,384	5,699,613

IATA Area 1 comprises all of the North and South American Continent and the adjacent islands, Greenland, Bermuda, the West Indies and the islands of the Caribbean Sea, the Hawaiian Islands (including Midway and Palamyra).

IATA Area 2 comprises all of Europe (including the European part of the Russian Federation) and the adjacent islands, Iceland, the Azores, all of Africa and the adjacent islands, Ascension Island, that part of Asia lying west of and including Iran (Islamic Rep. 6f).

IATA Area 3 comprises all of Asia and the adjacent islands, except that portion included in IATA Area 2, all of the East Indies, Australia, New Zealand and the adjacent islands, the islands of the Pacific Ocean, except those included in IATA Area 1.

Note 8. Related Party Transactions

During the six months and three months ended June 30, 2002 and 2001, the Group had the following balances and transactions with related parties:

	(unaudited) Six months ended June 30,		(unaudited) Three months ended June 30,	
	2002	2001	2002	2001
	US$	US$	US$	US$
Acquisition of a subsidiary from a director:				
-total consideration	1,430,000	-	1,430,000	-
-consideration payable	600,000	-	600,000	-
Proceeds from disposal of a subsidiary to a company controlled by the director of the Company	-	150,000	-	150,000
Loan to a company controlled by the director of the Company	115,385	115,385	115,385	-
Payment of freight cost to companies controlled by directors of the Company	(31,303)	(36,736)	(19,644)	(21,632)
Received freight income from companies controlled by directors of the Company	1,934	103,132	1,875	102,764
Received interest income from a company controlled by directors of the Company	3,462	3,047	1,731	1,731

(a) As of December 31, 2001 and June 30, 2002, the Company's directors have beneficial interests in the Company and all the aforementioned related parties.

(b) Loan to a related company amounting to $115,385 as of June 30, 2002 is unsecured, bears interest at 6% p.a. and has no fixed repayment terms.

(c) As of June 30, 2002, the balance due to a director from the Group amounting to $631,121 is unsecured, interest-free and has no fixed repayment terms.

(d) As of June 30, 2002, the balance due to a director from the Group amounting to $104,557 is unsecured, interest-free and has no fixed repayment terms. The consideration payable to another director on acquisition of a subsidiary, after netting off a loan receivable of $73,436 due from him to that subsidiary, is $526,524, which is secured by the subsidiary's 40.5% shares, interest-free and repayable in 4 quarterly installments pursuant to the stock purchase agreement.

(e) As of June 30, 2002, general banking and loan facilities granted by various bankers to the Group were secured by directors' personal guarantees amounting to $4,272,814.

Note 9. Disposal of a subsidiary

On April 2, 2002, the Group disposed of its 100% controlling interest in Sparkle Shipping, Godown, Wharf & Transp. Co. Limited at a consideration of US$589,744 to a third party.

	US$
Net assets disposed:	
Property, plant and equipment	24,667
Trade and other receivables	495,650
Due from director	299,869
Deferred taxes	10,202
Cash at banks	95,596
Trade and other payables	(230,511)
Due to fellow subsidiaries	(117,119)
	578,354
Proceed on disposal	589,744
Gain on disposal	11,390

	US$
Cash proceeds	58,974
Cash and cash equivalents disposed of	(95,596)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiary	(36,622)

PACIFIC CMA, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 10. Acquisition of a subsidiary

On April 30, 2002, the Group completed the acquisition of the 81% controlling interest in Airgate International Corporation. ('Airgate'), a privately held company that provides New York based logistics and freight forwarding services. The primary reasons for the acquisition include gaining a strategic location in the States and to obtain the benefits of synergies.

The total acquisition cost was approximately $2,960,000, including the payment of $1,500,000, of which $300,000 was paid in cash and $1,200,000 was financed, the approximately $100,000 of transaction costs, and the issuance of 1.7 million shares of common stock with fair valued at $1,360,000 which was determined by the average market price of April and May 2002 after considering possible effects of price fluctuation and quantities. This consideration was determined solely through negotiations among the parties. Having taken into consideration the historical performance and the earning potential of Airgate, the Group believed that the purchase price best reflected the fair value of Airgate at the date of acquisition.

The transaction was recorded using the purchase method of accounting. The results of operations for Airgate are included in the consolidated financial statement since the date of acquisition. Assets and liabilities were recorded based on fair values. The cost of purchased businesses in excess of net identified tangible and intangible assets acquired (goodwill) is accounted for under the provisions of FASB Statement No. 142 'Goodwill and Other Intangible Assets'.

Goodwill represents the excess of the acquisition cost over the current fair value of identifiable Airgate assets at the time of purchase. These identified net assets include (i) a non-contractual customer relationship intangible asset of $2,860,000 that is recorded at cost and will be amortized on a straight-line basis over its estimated useful life of 5 years and (ii) a net deferred tax liability of $572,000.

The following tables disclose: a) unaudited condensed consolidated balance sheet of Airgate as of April 30, 2002 prior to the acquisition and b) the calculation of goodwill:

a) Unaudited condensed consolidated balance sheet as of April 30, 2002 prior to the acquisition

Airgate International Corporation

	$
Assets	
Current assets	
Trade receivables	2,210,292

Deposits, prepayment and other debtors	34,951
Due from directors	164,440
Total current assets	2,409,683
Property, plant and equipment, net	86,945
Total assets	2,496,628
Liabilities and stockholders' deficit	
Current liabilities	
Bank overdraft	13,618
Trade payables	4,102,494
Accrued charges and other creditors	233,008
Note payable	155,701
Total liabilities	4,504,821
Stockholders' deficit	
Common stock with no par value	20,000
Additional paid-in capital	116,200
Accumulated losses	(2,144,393)
Total stockholders' deficit	(2,008,193)
Total liabilities and stockholders' deficit	2,496,628

b) *Calculation of goodwill*

	$
Total acquisition cost	2,960,000
Net current liabilities	(2,095,138)
Property, plant and equipment, net	86,945
Net liabilities acquired	(2,008,193)
Non-contractual customer relationship intangible asset acquired	2,860,000
Deferred tax liability	(572,000)
Other identified net assets acquired	2,288,000
Goodwill	2,680,193

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION OR PLAN OF OPERATIONS

SPECIAL NOTE OF CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report, including statements in the following discussion, which are not statements of historical fact, are what are known as "forward-looking statements," which are basically statements about the future. For that reason, these statements involve risk and uncertainty since no one can accurately predict the future. Words such as "plans," "intends," "will," "hopes,""seeks," "anticipates," "expects," and the like, often identify such forward-looking statements, but are not the only indication that a statement is a forward-looking statement. Such forward-looking statements include statements concerning our plans and objectives with respect to the present and future operations of the Company, and statements, which express or imply that such present and future operations will or may produce revenues, income or profits. Numerous factors and future events could cause the Company to change such plans and objectives, or fail to successfully implement such plans or achieve such objectives, or cause such present and future operations to fail to produce revenues, income or profits. Therefore, the reader is advised that the following discussion should be considered in light of the discussion of risks and other factors contained in this report on Form 10QSB and in the Company's other filings with the Securities and Exchange Commission. No statements contained in the following discussion should be construed as a guarantee or assurance of future performance or future results.

OVERVIEW

The following discussion is applicable to the Company's financial condition and results of operations for the three and six-month periods ended June 30, 2002 and June 30, 2001.

Pacific CMA, Inc. (Pacific CMA) does not directly carry on any business activities. Through its Hong Kong based subsidiary, AGI Logistics (HK) Ltd. (AGI), and its New York based subsidiary, Airgate International Corp. (Airgate), Pacific CMA facilitates and provides supply Chain Management Solutions, Contract Logistics Services and International Freight Forwarding Services.

Its wholly-owned subsidiary, AGI Logistics (HK) Ltd. (AGI), operates an integrated logistics and freight forwarding business which is based in Hong Kong and which primarily handles delivery of goods in South China and Hong Kong to overseas countries, mainly the Far East region and the US. The principal services provided by AGI Group are airfreight forwarding, ocean freight forwarding, and warehousing. In the region of Far East, Mainland China is the target market for AGI Group expansion.

The business of AGI was first established in August 1998 and now consists of its own operations, as well as those of its subsidiaries. On January 1, 2001, its Hong Kong incorporated subsidiaries included Sparkle Shipping, Godown, Wharf & Transp. Co., Ltd. (Sparkle) and Guangzhou Huasheng Int'l Forwarding Ltd. (GZ Huasheng), and AGI Logistics (Shenzhen) Ltd. (AGI (Shenzhen)) which was incorporated in Peoples Republic of China. On June 14, 2002, GZ Huasheng was renamed as Guangdong Springfield Logistics Services Ltd. (GD Springfield). AGI (Shenzhen) and Sparkle were disposed of by AGI Group on May 11, 2001 and April 2, 2002 repectively. The Company intends to concentrate on the international freight forwarding business . Since the business of Sparkle is concentrated on feeder voyages and trucking operations along the Jujiang Delta Area of Mainland China, the Company determined that the business objectives of Sparkle were not consistent with the plan to concentrate on international freight forwarding. Accordingly, Sparkle was disposed of during the second quarter.

On April 30, 2002, Pacific CMA completed the acquisition of control of Airgate, a privately held New York-based freight forwarder which was established in 1990. Airgate is a non-asset based logistics services company. Pacific CMA intends to continue the operations of Airgate in substantially the same manner as they were conducted prior to the acquisition. Airgate primarily handles import air and ocean shipments from the Far East and from South West Asia to the US. Pacific CMA International, LLC, a Colorado limited liability company which is wholly-owned by the Company, acquired 81% of the issued and outstanding common stock of Airgate.

The following discussion concerning results of operations and liquidity and capital resources of Pacific CMA, is based solely upon the business operations which are carried on by the group consisting of its wholly owned subsidiary AGI and its subsidiaries, with the result of Airgate from May to June 2002.

The significant new development which have occurred during the period include the followings:

(1) Expansion of the sales and marketing department of AGI, additional sales persons were recruited to make a team of six sales persons.

(2) AGI contracted with new agency partners in Shanghai China, Thailand, U.A.E., Japan, Indonesia, Canada and Germany.

(3) Sparkle Shipping, Godown, Wharf & Transp. Co., Ltd., the subsidiary of AGI (HK), was disposed of on April 2, 2002. The Company intends to concentrate more resources on the international freight forwarding business, especially markets in US and Europe.

(4) The Company acquired an 81% interest in a subsidiary, Airgate International Corp., which is a New York based logistics and freight forwarder. The closing of the transaction was effective as of April 30, 2002.

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 2002 COMPARED WITH THREE MONTHS ENDED JUNE 30, 2001

BUSINESS SEGMENT OPERATING RESULTS

Our total revenue for the three-month period ended June 30, 2002 increased 264.94% as compared with the three-month period ended June 30, 2001, from US$2,896,133 in 2001 to US$10,569,264 in 2002. The increase in revenue was primarily due to the combination of Airgate revenue for the month of May and June 2002, excluding the inter-company transactions among the group companies. The revenue of AGI Group for this quarter was US$4,890,865, while the revenue of Airgate was US$7,213,164. The inter-company transactions between AGI Group and Airgate which are excluded from total revenue were US$1,534,765. Other factors which helped to increase revenues are that AGI entered new markets in U.A.E., Japan, Singapore, Australia and Thailand, and established relationships with new customers. In addition, there were increased prepaid shipments within the period. During the period, our cost of forwarding increased 303.48%, from US$2,204,818 in 2001 to US$8,896,061 in 2002, also mainly due to the combination of Airgate freight costs for the months of May and June 2002. Gross margin for the period decreased from 23.87% in 2001 to 15.83% in 2002 and gross profit (revenue minus cost of forwarding) for the period increased 142.03%, from US$691,315 in 2001, to US$1,673,203 in 2002. Overall, the Company had a net income of US$220,254 for the period, compared to net income of US$115,437 during the same period of 2001.

The results of operations for each segment are as follows.

Airfreight operation: Revenue from airfreight operations increased 266.53% from US$2,001,211 in 2001 to US$7,335,080 in 2002. Airfreight revenue for AGI Group was US$3,832,071, while airfreight revenue for Airgate was US$4,868,293. Excluded inter-company transactions totalled US$1,365,284. The volume of airfreight shipments was improved in 2002 compared with 2001. Our main customer base is in the garment industry, which prefers airfreight to sea freight transportation. The inventory levels in the US were low in the first half of 2002, and as a result, demand for urgent shipments increased, especially from the garment industry. The tonnage increase caused the demand for shipment space to increase as well which led to a rise in the cost of buying space. However, rate adjustments to clients were limited to moderate levels since customers were reluctant to absorb the whole magnitude of the rate increase. Costs for the airfreight forwarding operation increased 301.83% from US$1,515,064 in 2001 to US$6,087,934 in 2002. Airfreight cost for AGI Group was US$3,143,553, while airfreight costs for Airgate were US$4,265,523. Excluded inter-company costs totalled US$1,321,142. As a result, the profit margin was cut. The gross profit margin decreased from 24.29% in 2001 to 17% in 2002. However, as a result of increased volume, there was an overall increase in gross profit of US$760,999, representing an increase of 156.54%.

Total segment overhead attributable to the airfreight operation increased from US$193,029 in 2001 to US$634,242 in 2002. Details regarding the increase in overhead expenses are discussed below under the section title "Other Operating Expenses."

Overall, net segment income for the airfreight operation increased 111% for the period, from US$293,118 in 2001 to US$618,159 in 2002. The increase in net income was mainly the result of the combination of Airgate's business and the improvement in the operating results of AGI Group.

Sea freight operation: Revenue from sea freight operations increased 273.58% to US$3,234,184 in 2002 from US$865,728 in 2001. Sea freight revenue for AGI Group was US$1,058,794, while sea freight revenue for Airgate was US$2,344,871, and inter-company transactions were US$169,481. This increase in revenue for the quarter was primarily due to the new customers we acquired in the new markets we entered. In addition, profitable loose freight consolidation shipments to Australia and US were increased in this quarter. Costs for the sea freight forwarding operation increased 321.11% from US$666,827 in 2001 to US$2,808,127 in 2002. Sea freight cost for AGI Group was US$781,118, while costs for Airgate were US$2,133,850, and the excluded inter-company costs were US$106,841. As a result, the profit margin was cut. The gross profit margin decreased from 22.97% to 13.17%. However, as a result of increased volume, there was an overall increase in gross profit of US$227,156, representing an increase of 114.21%.

Total segment overhead attributable to the sea freight operation was increased by 143.7%, from US$80,345 in 2001 to US$195,802 in 2002. Overall net income for sea freight operation increased 178.38%, from US$118,556 in 2001 to US$275,773 in 2002. The increase in net income was mainly the result of the increase in business from Airgate's operations and the improvement in the result of AGI Group.

OTHER OPERATING EXPENSES

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses increased 139.35% to US$1,282,752 in 2002 from US$535,921 in 2001. The following factors caused the increase in expenses:

Compensation cost: For the period from April to June 2002, an aggregate of 179,000 shares of common stock were issued pursuant to the 2000 Stock Plan of Pacific CMA, Inc. These shares were valued at approximately US$42,100 as compensation cost.

Overseas traveling: Expenses related to overseas traveling increased 216.92% from US$16,289 in 2001 to US$51,623 in 2002. The increase in travel expenses was mainly due to costs attributable to the increased trips to US for meetings with investment bankers relating to plans to raise additional capital.

Salaries and allowance: Salaries and allowances for the period increased from US$212,997 in 2001 to US$593,895 in 2002. The salaries and allowances for AGI Group were US$290,489, and were US$303,406 for Airgate for the second quarter of 2002. The increase in salaries and allowances for AGI Group were primarily the result of an increase in the number of employees in the sales and marketing department of AGI.

DEPRECIATION AND AMORTIZATION

There was a significant increase in depreciation and amortization expense attributable to the amortization of an intangible customer relationship asset recorded in conjunction with the acquisition of Airgate on April 30, 2002. We recorded this asset at cost ($2,860,000) and it is being amortized on a straight line basis over a period of 5 years. During the quarter ended June 30, 2002, the amortization expense for this intangible asset was $ 95,333.

NON-OPERATING INCOME

NET GAIN ON DISPOSAL OF A SUBSIDIARY

On April 2, 2002, Sparkle Shipping, Godown, Wharf & Transp. Co., Ltd. was disposed of by AGI Group. The Company intends to concentrate on the international freight forwarding business. Since the business of Sparkle is concentrated on feeder voyages and trucking operations along Jujiang Delta Area of Mainland China, the Company determined that its business objectives were not consistent with the plan to concentrate on international freight forwarding. By disposing of Sparkle, the Company believes it will be better able to concentrate its resources on developing markets in the US and Europe. The net gain on disposal of the subsidiary was US$11,390.

INTEREST AND OTHER INCOME

Interest and other income increased from US$10,520 in 2001 to US$39,450 in 2002. This was due to the interest income from loan receivables and management fee income received from third parties.

INTEREST EXPENSES

Interest expenses increased to US$25,363 in 2002 from US$1,668 in 2001. The increase in interest expenses is due primarily to the bank trust receipts, bank loans and bank overdrafts involved.

SIX MONTHS ENDED JUNE 30, 2002 COMPARED WITH SIX MONTHS ENDED JUNE 30, 2001

BUSINESS SEGMENT OPERATING RESULTS

Our total revenue for the six-month period ended June 30, 2002 increased 159.47% as compared with the six-month period ended June 30, 2001, from US$5,220,743 in 2001 to US$13,546,135 in 2002. The increase in revenue was due to the tonnage increase and the combination of Airgate beginning in May 2002. The revenue of AGI Group for this period was US$7,867,735, while the revenue of Airgate was US$7,213,164, and the inter-company transactions between AGI Group and Airgate totalled US$1,534,764. The Company entered new markets in U.A.E., Japan, Singapore, Australia and Thailand and established relationships with new customers. In addition, there were increased prepaid shipments within the period. During the period, our cost of forwarding increased 184.41%, from US$3,953,714 in 2001 to US$11,244,767 in 2002, also mainly due to the combination of Airgate freight costs for the months of May and June 2002. Gross margin for the period decreased from 24.27% in 2001 to 16.99% in 2002 and gross profit (revenue minus cost of forwarding) for the period increased 86.66%, from US$1,267,029 in 2001, to US$2,301,368 in 2002. The overall results for the six-month period ended June 30, 2002 reflected a net income of US$181,424, compared to net income of US$207,076 for the six month period ended June 30, 2001.

The results of operations for each segment are as follows.

Airfreight operation: Revenue from airfreight operations increased 161.46% from US$3,611,650 in 2001 to US$9,443,007 in 2002. Airfreight revenue for AGI Group was US$5,939,997, while airfreight revenue for Airgate was US$4,868,293, and excluded inter-company transactions totaled US$1,365,283. The volumes and the sell rates of airfreight were improved in 2002 compared with 2001. Our main customer base is in the garment industry which prefers airfreight to sea freight transportation. The inventory levels in the US were low in the first half year of 2002, and as a result, the demand for urgent shipments increased, especially from the garment industry. The tonnage increase caused the demand for shipment space to increase as well which led to a rise in the cost of buying space. Costs for the airfreight forwarding operation increased 188.45% from US$2,721,311 in 2001 to US$7,849,712 in 2002. Although the gross profit margin decreased from 24.65% to 16.87%, as a result of increased volume, there was a 78.95% increase in gross profit, from US$890,339 in 2001 to US$1,593,295 in 2002.

Total segment overhead attributable to the airfreight operation increased 135.27% from US$353,320 in 2001 to US$831,239 in 2002. Details regarding the increase in overhead expenses are discussed below under the section title "Other Operating Expenses."

Overall, net segment income for the airfreight operation increased 41.9% for the period, from US$537,019 in 2001 to US$762,056 in 2002. The increase in net income was mainly the result of the combination of Airgate's business operations and the improvement in the results of AGI Group.

Sea freight operation: Revenue from sea freight operations increased 164.24% to US$4,097,192 in 2002 from US$1,550,538 in 2001. Sea freight revenue for AGI Group was US$1,921,801, while sea freight revenue for Airgate totaled US$2,344,871, and inter-company transactions totaled US$169,480. This increase in revenue for the period was primarily due to revenues received from new customers in new markets we entered. Profitable loose freight consolidation shipments to Australia and US were increased in this period. Costs for the sea freight forwarding operation increased 184.4% from US$1,189,043 in 2001 to US$3,381,663 in 2002. Sea freight cost for AGI Group was US$1,354,654, while it was US$2,133,850 for Airgate, and inter-company costs were US$106,841. There was an abundant supply of space, especially to the US West Coast. During the period the gross margin decreased from 23.31% to 17.46%, but gross profit increased 97.9%, from US$361,495 in 2001 to US$715,529 in 2002, primarily as a result of increased volume.

Total segment overhead attributable to the sea freight operation was increased by 73.61%, from US$148,074 in 2001 to US$257,067 in 2002. Overall net income for sea freight operation increased 139.82%, from US$213,421 in 2001 to US$511,819 in 2002. The increase in net income was mainly the result of the increase in business from Airgate's operations and the improvement in the result of AGI Group.

OTHER OPERATING EXPENSES

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses increased 91.33% to US$1,873,974 in 2002 from US$979,421 in 2001. The following factors caused the increase in expenses:

Compensation cost: On February 12, 2002 and March 9, 2002, an aggregate of 46,500 shares of common stock were issued pursuant to the 2000 Stock Plan of Pacific CMA, Inc. These shares were valued at approximately US$11,625 as compensation cost. On April 14, 2002 and May 22, 2002, an aggregate of 179,000 shares of common stock were issued pursuant to the 2000 Stock Plan. These shares were valued at approximately US$42,100, as compensation cost.

Overseas traveling: Expenses related to overseas traveling increased 159.29% from US$30,420 in 2001 to US$78,877 in 2002. The increase in travel expenses was mainly due to costs attributable to the increased trips to the US for meetings with investment bankers to discuss plans to raise additional capital.

Salaries and allowance: Salaries and allowances for the period increased by 121.67%, from US$413,855 in 2001 to US$917,381 in 2002. The salaries and allowances for AGI Group were US$613,975 for the six-month period, and were US$303,406 for Airgate for May and June of 2002. The increase in salaries and allowances for AGI Group were primarily the result of an increase in the number of employees in the sales and marketing department of AGI.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization increased from US$95,571 in 2001 to US$198,226 in 2002. The increase in depreciation expense was attributable to additional property, plant and equipment acquired from April 2001 onwards. The largest amounts expended for property, plant and equipment were for the decoration of offices, design of the I.T. system, and purchases of computer hardware and software.

There was a significant increase in depreciation and amortization expense attributable to an intangible customer relationship asset recorded in conjunction with the acquisition of Airgate on April 30, 2002. We recorded this asset at cost ($2,860,000) and it is being amortized on a straight line basis over a period of 5 years. During the period ended June 30, 2002, the amortization expense for this intangible asset was $95,333.

NON-OPERATING INCOME

NET GAIN ON DISPOSAL OF A SUBSIDIARY

On April 2, 2002, Sparkle Shipping, Godown, Wharf & Transp. Co., Ltd. was disposed of by AGI Group. The net gain on the disposal of this subsidiary was US$11,390.

INTEREST AND OTHER INCOME

Interest and other income increased from US$35,749 in 2001 to US$53,534 in 2002. This was due to the interest income from loan receivables and management fee income received from third parties.

INTEREST EXPENSES

Interest expenses increased to US$40,117 in 2002 from US$5,549 in 2001. The increase in interest expenses is due primarily to the bank trust receipts, bank loans and bank overdrafts involved.

LIQUIDITY AND CAPITAL RESOURCES

The Company has funded its operations and capital expenditures primarily through cash flows from operating activities. Our management intends to consider other potential sources of liquidity and to focus more attention on its efforts to manage working capital.

Cash provided by operating activities for the period ended June 30, 2002 was US$404,952, as compared to the cash outflow from operating activities of US$5,211 for the period ended June 30, 2001. The cash outflow in the first six-month period of 2002 was primarily the result of a combination of two factors. During the period we made prompt payment of monies owed to our vendors (accounts payable). This is reflected in the fact that during the period we reduced our outstanding accounts payable by US$196,622, as compared to outstanding accounts payable as of June 30, 2001.

Net cash used in investing activities was US$349,297 in 2002, as compared to net cash used in investing activities of US$317,792 during the year of 2001. The most significant investing transaction was the acquisition of an 81% interest in Airgate on April 30, 2002, for installment payment of US$313,618.

Net cash used in financing activities was US$1,289,062 in the first six-month period of 2001, as compared to US$392,213 for the period of 2002. Additional amounts totalling US$667,856 and US$1,387,294 were pledged to commercial banks as restricted cash during the periods ended June 30, 2002 and 2001, respectively. The cash pledges were made as security in exchange for various banking facilities granted. There were also bank overdrafts withdrawn from our bankers amounting to US$836,999.

We had cash and cash equivalents on hand of US$841,472 at the beginning of 2002, as compared to cash and cash equivalents on hand of US$2,345,816 at the beginning of 2001. We had an overall decrease of US$1,504,344 of cash and cash equivalents on hand as of the end of the second quarter of 2002, and we had a total of US$506,960 of cash and cash equivalents on hand as of June 30, 2002, as compared to US$730,139 as of June 30,2001. Management intends to rely primarily on cash flow from operations for short-term liquidity, and believes that we have adequate liquidity to satisfy our cash needs for the twelve months following June 30, 2002.

We can obtain additional liquidity through further negotiation of short-term loans from banks and other sources to satisfy our short-term funding needs. Banking facilities totaling US$4.27 million were granted by four banks in Hong Kong. These banking facilities are intended to assist in satisfying short-term funding needs, including overdraft protection and revolving lines of credit.

If it is necessary to do so in order to satisfy our long term funding needs, we believe we will be able to obtain long-term bank financing..

OTHER RISK FACTORS

The Company's ability to provide service to its customers is highly dependent on good working relationships with a variety of entities such as airlines, steamship carriers and governmental agencies.

Changes in space allotments available from carriers, governmental deregulation efforts, regulations governing the Company's products, and/or the international trade and tariff environment could affect the Company's business in unpredictable ways.

Management believes the Company's business has not been significantly or adversely affected by inflation in the past. Historically, the Company has generally been successful in passing cost increases to its customers by means of price increases. However, competitive market place conditions could impede the Company's ability to pass on future cost increases to customers and could erode the Company's operating margins.

The Company continues to assess and improve financial controls. The Company has negotiated successfully with its banks to get credit facilities for future financial needs.

Additional risks and uncertainties include:

1. Governmental deregulation efforts, regulations governing the Company's products and/or the international trade and tariff environment adversely affecting our ability to provide services to customers.

2. Competitive marketplace conditions impeding the ability of the Company to pass future cost increases to customers.

3. Dependence of the Company on international trade resulting from favorable worldwide economic conditions.

4. Dependence of the Company on retention and addition of significant customers.

5. The ability to recruit and retain skilled employees in a tight labor market.

6. The ability of the Company to develop and implement information systems to keep pace with the increasing complexity and growth of the Company's business.

7. The US domestic economy has been in recession or a period of slow growth. As a result, the number of purchase orders from the US dropped for a period of time. This resulted in decreased traffic volume for the business of freight forwarding.

8. After the September 11 terrorist attacks in ther US, airlines charged additional costs, such as fuel surcharges, insurance surcharges and war risk surcharges. As a result, transportation costs for shippers and consignees have increased, because we pass most of these additional costs through to freight payers. This reduces the shipping incentive of customers, and results in an increase in the rate of order cancellation.

ITEM 3. CONTROLS AND PROCEDURES

The Company's Chief Executive Officer and Chief Financial Officer (or those persons performing similar functions), after evaluating the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934, as amended) as of a date within 90 days before the filing date of this quarterly report (the "Evaluation Date"), have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective to ensure the timely collection, evaluation and disclosure of information relating to the Company that would potentially be subject to disclosure under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder. There were no significant changes in the Company's internal controls or in other factors that could significantly affect the internal controls subsequent to the Evaluation Date.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company may become involved in legal proceedings occurring in the ordinary course of business. Subject to the uncertainties inherent in any litigation, the Company believes that there are no pending or threatened proceedings that are reasonably likely to result in a material adverse change in it’s financial condition or operations.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

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

No matters were submitted to a vote of the security holders of the Company during the second quarter ending June 30, 2002.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) CERTIFICATIONS PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

(b) Exhibits 99.1 and 99.2**,** CEO AND CFO CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002 are filed herewith.

(c) One report on Form 8-K was filed during the quarter ended June 2002. The report was dated April 30, 2002, and was filed to report the acquisition of an 81% interest in Airgate International Corporation. This report on Form 8-K did not contain any financial statements.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

PACIFIC CMA, INC.

By:/S/ ALFRED LAM
Alfred Lam, Chairman and Treasurer

By:/S/ SCOTT TURNER
Scott Turner, President and Director

By:/S/ LOUISA CHAN
Louisa Chan, Director

By:/S/ HENRIK M. CHRISTENSEN
Henrik M. Christensen, Director

By:/S/ KAZE CHAN
Kaze Chan, Director

Date: June 17, 2003

CERTIFICATION

PACIFIC CMA, INC.

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Scott Turner, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Pacific CMA, Inc.

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

By:/S/ SCOTT TURNER

Date: June 17, 2003 Scott Turner, President and Director

CERTIFICATION

PACIFIC CMA, INC.

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Alfred Lam, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Pacific CMA., Inc.

2. Based on my knowledge, this quarterly 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 quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

> a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
>
> b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
>
> c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

> a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
>
> b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

By:/S/ ALFRED LAM

Date: June 17 , 2003 Alfred Lam, Chairman and Treasurer

Exhibit 99.1

PACIFIC CMA, INC.

CERTIFICATION 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 Quarterly Report of Pacific CMA, Inc. (the "Company") on Form 10-QSB for the period ending June 30, 2002, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Scott Turner, President and a Director of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By:/S/ SCOTT TURNER

Scott Turner, President and Director

Date: June 17, 2003

Exhibit 99.2

PACIFIC CMA, INC.

CERTIFICATION 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 Quarterly Report of Pacific CMA, Inc. (the “Company”) on Form 10-QSB for the period ending September 30, 2002, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Alfred Lam, Chairman, Treasurer, and a Director, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By:/S/ ALFRED LAM

Alfred Lam, Chairman, Treasurer and Director

Date: June 17, 2003