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

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the quarterly period ended March 31, 2008

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from _______ to _________

Commission File Number: 0-53270

PREPAID CARD HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Nevada	76-0222016
(State or other jurisdiction of incorporation or organization)	(I. R. S. Employer Identification No.)
18500 Von Karman, Suite 530 Irvine, CA	92612
(Address of principal executive offices)	(Zip Code)

877-237-6260 x 110
Issuer's telephone number

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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 large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer (Do not check if a smaller reporting company)	[ ]	Smaller reporting company	[x]

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 shares of the registrant's common stock outstanding as of March 31, 2009 was 403,903,870 shares.

PREPAID CARD HOLDINGS, INC.

INDEX TO QUARTERLY REPORT ON FORM 10-Q

PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Interim Financial Statements

PREPAID CARD HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
March 31, 2009

		Unaudited		
Assets		**March 31, 2009**		**December 31, 2008**
Current Assets:				
Cash and Cash Equivalents	$	100,442	$	83,011
Accounts Receivable		116,700		79,472
Prepaid Expenses		42,606		33,100
Total Current Assets	$	259,748	$	195,583
Fixed Assets – net	$	4,177	$	4,420
Other Assets:				
Deposits		10,000		10,000
Total Other Assets	$	10,000	$	10,000
Total Assets	$	273,925	$	210,003
Liabilities and Stockholders' Equity:				
Current Liabilities:				
Accounts Payable and Accrued Expenses	$	275,798	$	272,099
Salary / Interest Payable - related party		18,165		2,768
Notes Payable – related party		197,269		197,269
Notes Payable		111,700		58,551
Total Current Liabilities	$	602,932	$	530,687
Long Term Liabilities:				
Note Payable – related party	$	466,960	$	466,960
Note Payable		114,327		124,338
Total Long Term Liabilities	$	581,287	$	591,298
Total Liabilities	$	1,184,219	$	1,121,985
Stockholders' Equity:				
Common Stock, authorized 1,000,000,000 shares, 403,903,890 and issued and outstanding @.001 per share	$	403,904	$	403,904
Additional Paid in Capital		2,057,597		2,057,597
Retained Deficit		(3,371,795)		(3,373,483)
Total Stockholders' Equity (Deficit)	$	(910,294)	$	(911,982)
Total Liabilities and Stockholders' Equity (Deficit)	$	273,925	$	210,003

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

PREPAID CARD HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Quarter ended March 31, 2009

	For the three months ended		For the three months ended	
	March 31, 2009	**March 31, 2008**	**March 31, 2009**	**March 31, 2008**
Revenues				
Card Operations	$ 408,871	$ -	$ 408,871	$ -
Processing Services	108,838	27,260	108,838	27,260
Total Revenues	517,709	27,260	517,709	27,260
Cost of Revenues	143,507	-	143,507	-
Gross Profit	374,202	27,260	374,202	27,260
Expenses:				
Sales	59,572	291,003	59,572	291,003
Professional Fees	90,671	124,907	90,671	124,907
General & Administrative	222,286	384,159	222,286	384,159
Related Party - Rent	-	23,924	-	23,924
Total	372,530	823,993	372,530	823,993
Profit (Loss) from operations	1,672	(796,733)	1,672	(796,733)
Other income	16	-	16	-
Net Profit (Loss)	$ 1,688	$ (796,733)	$ 1,688	$ (796,733)
Profit (Loss) per share	$ .0000	$ (.0017)	$ .0000	$ (.0017)
Weighted Average Shares Outstanding	403,903,890	482,313,148	403,903,890	482,313,148

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

PREPAID CARD HOLDINGS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

Quarter Ended March 31, 2009

	Common Stock		Preferred Stock		Subscription	Subscription	Additional Paid in	Retained Earnings	
	Shares	Amount	Shares	Amount	Receivable	Payable	Capital	(Deficit)	Total
Balance January 1, 2009	403,903,890	$ 403,904		$	$	$ -	$ 2,057,597	$ (3,373,483)	$ (911,982)
Net income for the three months ended March 31, 2009	-	-	-	-	-	-	-	1,688	1,688
Balance March 31, 2009	403,903,890	$ 403,904	-	$ -	$ -	$ -	$ 2,057,597	$ (3,371,795)	$ (910,294)

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

PREPAID CARD HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Quarter Ended March 31, 2009

	For the three months ended March 31,	
Cash Flows from Operating Activities:	**2009**	**2008**
Net (Loss) for the period:	$ 1,688	$ (796,733)
Depreciation	243	343
Common Stock issued	-	22,500
Changes in Assets and Liabilities		
Accounts Receivable	(37,228)	-
Prepaid Expenses and Deposits	(9,506)	-
Accounts Payable and Accrued Expenses	19,096	258,331
Net Cash flows used for Operating Activities	(25,707)	(515,559)
Cash Flows Used for Investing Activities		
Business Combination and Fixed Assets	-	(738,040)
Cash Flows from Financing Activities		
Issuance of note	52,769	750,000
Repayments on notes	(9,631)	
Proceeds from the Issuance of Common Stock	-	500,000
Collection of subscription Receivable	-	114,163
Net Cash Flows from Financing Activities	43,138	1,364,163
Net Increase (Decrease) in cash	17,431	110,564
Cash-beginning	83,011	577,331
Cash-end	$ 100,442	$ 687,895
Supplemental disclosures:		
Interest Paid	$ 3,534	$ -
Income Taxes paid	$ 800	$ -

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

Note 1 – Organization and Significant Accounting Policies

Organization and Line of Business

Prepaid Card Holdings, Inc. formerly Berman Holdings, Inc. (the "Company") was incorporated under the name Nately National Corporation in the state of Nevada on October 8, 1986 and then changed its name National Health Care Alliance, Inc. The Company was dormant until October 11, 2007 when the Company acquired Berman Marketing Group, a wholly owned subsidiary as its operating business. In October 2007 the name was changed from National Health Care Alliance, Inc. to Berman Holdings, Inc. In March of 2008 the Company acquired Merchant Processing International, from a related party, and it became a wholly owned subsidiary. In May of 2008 the Company changed its name to Prepaid Card Holdings, Inc. The company trades under the symbol PPDC on the pink sheets.

The Company is in the prepaid general use debit, ATM, POS and signature based card market. The Company's primary target audience is the non banked and underserved individuals in the country.

Basis of Presentation/Going Concern

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. The Company has incurred losses and has a negative equity. These conditions raise substantial doubt as to the Company's ability to continue as a going concern. These consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Berman Marketing Group, Inc and Merchant Processing International. All material inter-company balances and transactions have been eliminated on consolidation. The acquisition of Merchant Processing International has been accounted for as a transfer of assets under common control, and accordingly is accounted for in all periods presented.

Stock Based Compensation

SFAS No. 123, "Accounting for Stock-Based Compensation," establishes and encourages the use of the fair value based method of accounting for stock-based compensation arrangements under which compensation cost is determined using the fair value of stock-based compensation determined as of the date of grant and is recognized over the periods in which the related services are rendered. For stock based compensation the Company recognizes an expense in accordance with SFAS No. 123 and values the equity securities based on the fair value of the security on the date of grant. For stock-based awards the value is based on the market value for the stock on the date of grant. Stock option awards are valued using the Black-Scholes option-pricing model.

During the periods presented, no shares for services were realized.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates.

Fair Value of Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, other current assets, accounts payable, accrued interest and due to related party, the carrying amounts approximate fair value due to their short maturities.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company defines cash equivalents as all highly liquid debt instruments purchased with a maturity of three months or less, plus all certificates of deposit.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents and accounts receivables. The Company places its cash with high quality financial institutions and at times may exceed the FDIC $250,000 insurance limit. The Company extends credit based on an evaluation of the customer's financial condition, generally without collateral. Exposure to losses on receivables is principally dependent on each customer's financial condition. The Company monitors its exposure for credit losses and maintains allowances for anticipated losses, as required.

Impairment of Long-Lived Assets

SFAS No. 144 requires that long-lived assets to be disposed of by sale, including those of discontinued operations, be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. SFAS No. 144 broadens the reporting of discontinued operations to include all components of an entity with operations that can be distinguished from the rest of the entity and that will be eliminated from the ongoing operations of the entity in a disposal transaction. SFAS No. 144 also establishes a "primary-asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used.

Revenue Recognition

The company recognizes revenue both from merchant processing costs and activity charges for card usage. These fees are transactionally based and recorded at the time of occurrence.

For the merchant processing services, the company receives revenues in the form of commissions paid resulting from a percentage of credit card volume for the retailers engaged. This revenue is recognized on a monthly basis under the accrual basis of accounting.

For the Bank Freedom prepaid cards operations, we derive revenues through fees charged to the cardholders. Those sources may include:

- Interchange
- Bill pay fees
- Domestic and International ATM transaction fees
- Debit purchase and PIN decline fees
- Monthly maintenance fees

These fees are debited on the card and recognized as revenue immediately.

Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes." Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Earnings (Loss) Per Share

The Company reports earnings (loss) per share in accordance with SFAS No. 128, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings (loss) per share has not been presented since the effect of the assumed conversion of options and warrants to purchase common shares would have an anti-dilutive effect.

Recently Issued Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141(R), Business Combinations (FAS 141(R)). This Statement provides greater consistency in the accounting and financial reporting of business combinations. It requires the acquiring entity in a business combination to recognize all assets acquired and liabilities assumed in the transaction, establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed, and requires the acquirer to disclose the nature and financial effect of the business combination. FAS 141(R) is effective for fiscal years beginning after December 15, 2008. We will adopt FAS 141(R) no later than the first quarter of fiscal 2009 and are currently assessing the impact the adoption will have on our financial position and results of operations.

In December 2007, the FASB issued SFAS No. 160. Noncontrolling Interests in Consolidated Financial Statements (FAS 160). This Statement amends Accounting Research Bulletin No. 51, Consolidated Financial Statements, to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. FAS 160 is effective for fiscal years beginning after December 15, 2008. We adopted FAS 160 in the first quarter of fiscal 2009. The adoption of SFAS No. 160 had no effect on our 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, which permits entities to choose to measure at fair value eligible financial instruments and certain other items that are not currently required to be measured at fair value. The standard requires that unrealized gains and losses on items for which the fair value option has been elected be reported in earnings at each subsequent reporting date. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. We adopted SFAS No. 159 in the first quarter of fiscal 2008. The adoption of SFAS No. 159 had no effect on our financial position and 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). SFAS No. 158 requires company plan sponsors to display the net over- or under-funded position of a defined benefit postretirement plan as an asset or liability, with any unrecognized prior service costs, transition obligations or actuarial gains/losses reported as a component of other comprehensive income in shareholders' equity. SFAS No. 158 is effective for fiscal years ending after December 15, 2006. We adopted the recognition provisions of SFAS No. 158 as of the end of fiscal 2007. The adoption of SFAS No. 158 did not have an effect on the Company's financial position or results of operations.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements. SFAS No. 157 establishes a framework for measuring fair value in generally accepted accounting principles, clarifies the definition of fair value and expands disclosures about fair value measurements. SFAS No. 157 does not require any new fair value measurements. However, the application of

SFAS No. 157 may change current practice for some entities. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. We adopted SFAS No. 157 in the first quarter of fiscal 2008. There was no impact with the adoption of SFAS No. 157 on our financial position and results of operations.

In July 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109 (FIN 48). This interpretation clarifies the application of SFAS No. 109, Accounting for Income Taxes, by defining a criterion that an individual tax position must meet for any part of the benefit of that position to be recognized in an enterprise's financial statements and also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006, but earlier adoption is permitted. We adopted FIN 48 effective first quarter of fiscal 2007. There was no impact on our financial position and results of operations upon the adoption of FIN 48.

Note 2 – Related Party Transactions

The Company issued 22,500,000 shares of stock, for the acquisition of Merchant Processing International, an entity who was owned by the majority stockholder of the Company.

The company owes on a note to a related party, its President $664,229 with interest at 5% due over 48 months starting July 1, 2008. On January 1, 2009 the interest rate was adjusted to 3.25%. Accrued interest payable amounted to $8,165 at March 31, 2009.

The company owes its President $10,000 for accrued salary expense at March 31, 2009. In 2009 the Company's president reduced his salary approximately 70% commencing February 1, 2009.

The Company was obligated under a sub-lease arrangement with Berman Investment Group, a related party for hardware and software which expired in November 2008. Monthly terms approximate $1,800 a month. There were no expenses incurred during the period.

The Company also sub-leased its rental space from Berman Investment Group until December 31, 2008, an entity owned by a related party, for approximately $3,500 per month. During the three months ended March 31, 2009 and 2008, $0 and $23,924 was incurred respectively and shown as related party expenses in the profit and loss statement.

The Company has also engaged Berman Investment Group (BIG) as a consultant. The Company is also required to reimburse BIG for costs incurred, however BIG has not incurred any costs resulting from the consulting agreement and is currently not seeking reimbursement.

Note 3 – Business Combination

The Company has accounted for the acquisition of Merchant Processing, Inc. as a business combination under common control on the amount paid for Merchant Processing International in excess of its book value. The Company issued 22,500,000 shares of stock, valued at par, due to the related party interest, of $22,500 and incurred a note payable for $750,000, the total of which was $772,500. This amount exceeded the book value by $732,348 which was charged against additional paid in capital.

Note 4 – Accounts Receivable

The Company has accounts receivable from Banks on the amounts transacted for the previous month, consisting of processing fees and charges.

Note 5 – Fixed Assets

Furniture and Fixtures	$	8,648
Computers		3,682
Total		12,330
Accumulated Depreciation		(8,177)
Net Fixed Assets	$	4,177

Depreciation expense for the three months ended March 31, 2008 and 2007 was $243 and $343 respectively.

Note 6 – Notes Payable

Related Party

The Company is indebted to its main shareholder for the purchase of the subsidiary for $664,229 payable over 41 months with interest at 3.25%. There was accrued interest at March 31, 2009 of $8,165. The interest expense is also included in the general and administrative expenses in the statement of operations. Effective January 1, 2009, the interest rate was reduced from 5% to 3.25%.

Other

The Company is indebted to a previous vendor for the purchase of marketing services for $173,259 payable over 34 months with interest at 4.00%.

The Company is indebted to a vendor for the purchase of marketing services for $52,769 payable over 12 months with interest at 4.00%.

Note 7 – Common Stock Transactions

During the first quarter 2008 the Company issued 33,000,000 shares of stock, 22,500,000 shares for the purchase of the subsidiary and the balance of 10,500,000 shares for $500,000 cash. Also during the quarter subscription receivables of $114,163 were collected.

There were no stock transactions during the first quarter of 2009.

Note 8 – Income taxes

Income taxes are accounted for in accordance with SFAS 109, Accounting for Income Taxes, using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company has a net loss carry forward equal to approximately $700,000. The deferred tax asset related to this carry forward has been reserved in full based upon the weight of available evidence, that it is more likely than not that the deferred tax assets will not be realized.

Note 9 – Contingent Liabilities

In 2009 the Company received notice of a lawsuit alleging breach of a contractual relationship involving shares of stock for services. The Company is diligently defending this lawsuit and feels there is no merit to its action and even in the event of an adverse outcome such outcome would not have a material effect on the business.

Note 10 –Subsequent Events

None.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward Looking Statements: **Statements about our future expectations are "forward-looking statements" and are not guarantees of future performance. When used herein, the words "may," "will," "should," "anticipate," "believe," "appear," "intend," "plan," "expect," "estimate," "approximate," and similar expressions are intended to identify such forward-looking statements. These statements involve risks and uncertainties inherent in our business, including those set forth under the caption "Risk Factors," in this Disclosure Statement, and are subject to change at any time. Our actual results could differ materially from these forward-looking statements. We undertake no obligation to update publicly any forward-looking statement.**

This Management's Discussion and Analysis and Plan of Operation should be read in conjunction with the financial statements included in this Report (the "Financial Statements)

The financial statements have been prepared in accordance with generally accepted accounting policies in the United States ("GAAP"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in United States dollars.

Liquidity and Capital Resources

Our liquidity requirements arise principally from our working capital needs, including the cost of goods and marketing costs. Although in the future we intend to fund our liquidity requirements through a combination of cash on hand and revenues from operations, for the three months ended March 31, 2009, the Company had incurred $516,037 in expenses and had realized only $517,709 in revenues.

Accordingly, our ability to initiate our plan of operations and continue as a going concern is currently dependent on our ability to raise external capital. We have raised $350,000 on the issuance of three convertible notes. We believe that it will be very difficult to obtain any form of debt financing without equity conversion terms due to our current lack of revenues from operations and the current state of our balance sheet, including a lack of hard assets against which to borrow. Accordingly, we are focusing on obtaining equity financing. However, with the economic turmoil in the finical markets today we are concerned about the ability to raise any capital at all. .

From November, 2007, through September, 2008, the Company raised approximately $2,164,237 in three private offerings, before costs. In addition, we may be required to seek additional funding.

Results of Operations

Three Months Ended March 31, 2009

Revenues

During the three months ended March 31, 2009, merchant processing services realized revenues of $108,838 and the Bank Freedom prepaid card realized revenues of $408,871 for a total of $517,709. This represents an increase of 1800% or $490,449 from $27,260 for the same period last year. The increase is primarily the result of no prepaid card operations in the first quarter of 2008. Merchant processing revenues are generated in the form of commissions paid as a percentage of credit card volume for the retailers engaged, while the prepaid card business model earns revenues through interchange and service fees after issuance of the cards.

Cost of Sales

During the three months ended March 31, 2009, we incurred $143,507 in costs directly attributed to our sales. This represents a total increase of $143,507 over $0 realized in the same period last year. The increase is due to the operations of the prepaid card business had not commenced in the first quarter of 2008. Cost of Sales includes, bank and Mastercard Association fees, merchant processing fees, and fulfillment costs.

Expenses

During the three months ended March 31, 2009, we incurred $372,530 in expenses. This represents a decrease of 55% or $451,463 from $823,993 realized in the same period last year. Expenses consisted of the following:

Expenses:	
Sales	$59,572
Professional Fees	90,671
Selling General and Administrative Costs	222,286
Related Party Expense - Rent	0

Sales – Consist of internet marketing to potential cardholders using various affiliate marketing channels and pay-per-click campaigns. This category also includes direct mail, radio commercial production, radio air time, and printing expense necessary to attract new cardholders. This represents a decrease of 80% or $231,431 from $291,003 realized in the same period last year. As a development stage company during this period in 2008, the company dedicated significant resources to its marketing effort.

Professional Fees – Consist of accounting, legal and other professional fees including the cost of the fair market value for the stock provided to investor representatives for investor referrals. This represents a decrease of 27% or $34,236 from $124,907 realized in the same period last year, as the company required more professional services during development stage this period last year.

Selling General and Administrative Costs – Consists of insurance, office supplies and expense, payroll expenses, investor referral fees and other miscellaneous expenses. This represents a 42% or $161,873 decrease from $384,159 realized in the same period in 2008. 2009 is the result of the company significantly leaning out its operations.

Related Party Expense – Rent – Consists of office space rental. This represents a total decrease of $23,924 from $23,924 to $0 realized from the same period in 2008. In 2009, the company no longer rents its office space from a related party.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures

Our management, including our Chief Executive and Principal Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Securities Exchange Act Rules 13a-15(e) and 15d-15(e)) as of March 31, 2009. Our disclosure controls and procedures are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Act (15 U.S.C. 78a et seq.) is recorded, processed, summarized, and reported, within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Act is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Based on this evaluation, our Chief Executive and Principal Financial Officer concluded that our disclosure controls and procedures were not effective as of March31, 2009.

This quarterly report does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the company's registered public accounting firm due to a transition period established by rules of the Securities and Exchange Commission for newly public companies.

Change in Internal Controls

There were no changes in our internal control over financial reporting during the quarter ended March 31, 2009 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

During the year ended December 31, 2008, the Company had a dispute with one of its vendors over the amount of about $360,000. On January 13, 2009, the Company agreed to a settlement of this dispute. We have agreed to execute a note in the amount of $182,900 at 4% simple annual interest payable monthly over three years, whereby we will pay $5399.64 a month.

On January 20, 2009, Robert McBride and Bruce Barton filed a complaint against the Company in the District Court for Clark County, Nevada for damages in excess of $40,000. Mr. McBride and Mr. Barton claim the Company owes each of them cash payments or restricted stock pursuant to agreements allegedly executed between the Company and the plaintiffs while Mr. McBride was president of the Company. We are disputing these claims. On February 5, 2009 Mr. McBride and Barton filed a motion for preliminary injunction against the company. That motion was denied by the court on March 16th 2009.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

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

None.

Item 5. Changes in Registrant's Certifying Accountant

None.

Item 6. Exhibits

31.1 Certification by the Principal Executive and Financial Officer of Prepaid Card Holdings, Inc. pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Rule 13a-14(a) or Rule 15d-14(a)).

32.1 Certification by the Principal Executive and Financial Officer of Prepaid Card Holdings, Inc. pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350) (furnished herewith).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: April 23, 2009

PREPAID CARD HOLDINGS, INC.
(the registrant)

By: \s\ Bruce Berman
Bruce Berman
Chief Executive Officer

Exhibit 31.1

CERTIFICATIONS

I, Bruce Berman, certify that:

1. I have reviewed this Report on Form 10-Q of Prepaid Card Holdings, Inc. (the "Company") for the period ending March 31, 2009;

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 Company as of, and for, the periods 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 Company and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our 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 Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's Board of Directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company'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 Company's internal control over financial reporting.

Date: April 23, 2009

\s\ Bruce Berman
Bruce Berman
Chief Executive Officer and Principal Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. 1350)

In connection with the Report of Prepaid Card Holdings, Inc. (the “Company”) on Form 10-Q for the quarter ended March 31, 2009, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Bruce Berman, Chief Executive Officer and Chairman of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), that to my knowledge:

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.

Date: April 23, 2009

\s\ Bruce Berman
Bruce Berman
Chief Executive Officer and Principal Financial Officer