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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**Current Report
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): March 14, 2006

POWERCOLD CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Nevada	33-19584	23-2582701
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
115 Canfield Road La Vernia, Texas	78121	
(Address of principal executive offices)	(Zip Code)	

Registrant's telephone number, including area code: **830 779-5223**

N/A
(Former Name or Former Address if Changed Since Last Report)

Check the appropriate box below if the Form 8K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17CFR230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

SEC 873 (3-05) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.

(a) We have determined that our former subsidiary PowerCold ComfortAir Solutions, Inc., a Nevada Corporation, incorrectly accounted for certain revenue recognition transactions on contracts-in-progress and contracts cancelled due to hurricanes while in progress. Our independent auditors have notified us that our 2005 Forms 10-Q for the periods ended March 31, 2005, June 30, 2005 and September 30, 2005 contain certain errors and material departures attributable to PowerCold ComfortAir Solutions, Inc. We disposed of all of our interest in PowerCold ComfortAir Solutions, Inc. on December 31, 2005, as disclosed in Form 8-K, dated January 6, 2005.

These departures concern revenue recognition on contracts-in-progress and will likely result in total revenues being reduced by \$1,011,679 for the quarter ending March 31, 2005, \$1,414,362 for the quarter ending June 30, 2005, and \$1,532,479 for the quarter ending September 30, 2005. We expect that the effect upon net losses from these overstatements will be an increase of less than \$500,000 for the year. The departures only became apparent during the current audit of the financial statements for the year ending December 31, 2005. Our financial statements for the affected periods and the related reports should no longer be relied upon.

We will file new financial statements for the periods ending March 31, 2005, June 30, 2005 and September 30, 2005, and the results will be included in our consolidated financial statements for the year end December 31, 2005, to be filed on Form 10-K.

We have discussed the matters disclosed in this Current Report on Form 8-K pursuant to this Item 4.02(a) with our independent registered public accounting firm, Williams & Webster, P.S.

(b) We received a letter dated March 10, 2005 from our independent registered accountants, Williams & Webster, P.S., that based upon their audit procedures, they believe that our financial statements for the quarters ended March 31, 2005, June 30, 2005 and September 30, 2005, had certain errors and material departures from generally accepted accounting principles.

Our independent registered accountants discussed with Management, that their testing had discovered certain errors and material departures in the application of generally accepted accounting principles concerning revenue recognition. Approximately \$4,000,000 in revenue was inappropriately recognized through the nine months ended September 30, 2005. Our independent registered accountants expressed the opinion that the financial statements filed for the quarters ending March 31, 2005, June 30, 2005 and September 30, 2005 are unreliable.

(c) We received the attached letter addressed to the Securities and Exchange Commission from our independent registered accountants, Williams & Webster, P.S., dated March 14, 2006, indicating that they are in agreement with the statements made by us in this Form 8-K filed March 14, 2006.

9.01 Financial Statements and Exhibits

7.1 Letter from Williams & Webster, P.S. dated March 10, 2006 to the Board of Directors.

7.2 Letter to the Securities and Exchange Commission from Williams & Webster, P.S. dated March 14, 2006.

SIGNATURES

FORM 8-K

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 hereunto duly authorized.

POWERCOLD CORPORATION

/s/ Francis L. Simola

Francis L. Simola
Chairman and CEO

Date: March 14, 2006



Williams & Webster, P.S.

Certified Public Accountants & Business Consultants

Exhibit 7.1

March 10, 2006

To the Board of Directors
PowerCold Corp.

After discussions with the certifying officer of PowerCold Corp., we believe that the Company's 2005 Forms 10-QSB for the periods ended March 31, 2005, June 30, 2005 and September 30, 2005 contain certain errors and material departures which are attributed to a prior subsidiary of the Company. These errors concern revenue recognition on contracts-in-progress and will likely result in total revenues being reduced based on a cumulative method by approximately \$4,000,000 for the nine months ended September 30, 2005. These errors become apparent during the current audit of the financial statements for the year ending December 31, 2005. We believe the previously filed quarterly information is unreliable for the quarters ending March 31, 2005, June 30, 2005 and September 30, 2005.

Based upon our current audit procedures we are informing the Company's management as of March 10, 2006 that the above described financial information is not reliable.

The Company must file a Form 8-K within two days of receipt of this letter in accordance with Item 4.02.

/s/ Williams & Webster, P.S.

Williams & Webster, P.S.
Certified Public Accountants
Spokane, WA

*Members of Private Companies Practice Section, SEC Practice Section, AICPA and WSCPA
Bank of America Financial Center • 601 W. Riverside, Suite 1940 • Spokane, WA 99201
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Williams & Webster, P.S.

Certified Public Accountants & Business Consultants

Exhibit 7.2

March 14, 2006

Securities and Exchange Commission
450 Fifth Street SW
Washington, DC 20549

Re: PowerCold Corp.
Commission File Number 33-19584

Dear Sirs:

We are in agreement with the statements made by the above registrant in its Form 8-K dated March 14, 2006 concerning the non-reliance on previously issued financial statements for the quarters ending March 31, 2005, June 30, 2005, and September 30, 2005.

Sincerely,

/s/ Williams & Webster, P.S.

Williams & Webster, P.S.
Certified Public Accountants
Spokane, WA

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