



**Holdings
Corporation**

Quarterly Report:
KCM Holdings, Corp. (KCMH)
Period Ending March 31, 2010 (2010Q1)

Item I Exact name of the issuer and the address of its principal executive offices.

KCM Holdings, Corp.
(Previously: Enray Autosystems, Inc.)
7011 Ash Street
Frisco, Texas 75034
Phone: 888-897- 5274
Fax: 214-872-2537
www.thekcmgroup.com
Investor relations contact:
[None.]

Item 2 Shares outstanding. (Common Stock)

Period End Date: March 31, 2010
500,000,000 common shares authorized
67,420,912 common shares outstanding
161 approximate shareholders
36,576,365 shares in the float
As of 3/31/2010 there are:
50,000,000 preferred shares authorized
45,000,000 preferred shares issued.

Item 3 Interim financial statements.

For the period ending March 31, 2010, the following unaudited interim financial statements are incorporated by reference herein.

- 1) Balance sheet
- 2) Related Statements of Operations
- 3) Changes in Stockholders Equity
- 4) Statement of Cash Flows
- 5) Financial Notes

They are attached to the end of this Quarterly Report, and entitled "Interim Financial Statements: Period Ending March 31, 2010 (2010Q1)."

4. Management's discussion and analysis or plan of operation.

KCM Holdings Corp. and Subsidiaries

First Quarter 2010 Financial Statements

A. Plan of Operation.

From the beginning of 2010, KCM Holdings Corporation has streamlined operational and financial models to increase revenues and profits. Very much like a research and development company that is now seeking to commercialize its products, KCMH will be in a process of refinement for the next 12 months. KCMH has maintained significant market equity in key subsidiaries while experiencing latency in others. With careful evaluation, the management team and directors will maximize where necessary and even “prune” certain models for the sake of financial stability and market value. Specifically:

KCM Strategic Venture Group (KCMSVG) will continue to identify and incubate publicly traded ventures. KCMSVG is in the final stages of launching GEENIUS, a patented knowledge retention software company, as a fully reporting publicly traded entity. There is no shortage of additional companies that are seeking to become publicly traded entities through KCMSVG, which is promising, however, the abundance of opportunities requires an even more stringent due -diligence process, examining operational strengths, market conditions and management.

KCM Strategic Media Group (KCMSMG) is working on taking numerous companies public this year, and will therefore now begin focusing more on in-house incubations through KCM Strategic Venture Group. It will no longer seek external clients as internal incubations have increased revenue potential and profitability.

KCM Trading Group (KCMTG) will continue to manage the KCM Relativity Fund and other alternative assets for the benefit of shareholders. There will be a stronger emphasis on this subsidiary this year to manage assets generated by other operational models.

KCM Venture Philanthropy Group (KCMVPG) will directly focus on creating strategic alliances between business models and non-profit organizations. KCMVPG has launched a new beta website www.myprefecteconomy.com which will slowly combine social media and social responsibility to benefit both for-profit and non-profit partners.

KCM Insurance Services (KCMIS) continues to experience significant growth. The first quarter of 2010 was the company’s best quarter. KCMIS expanded into the mortgage protection insurance sector during the first quarter; which will continue to increase revenue and profits.

KCMH continues to operate with minimal cash flow to sustain its current operations. However, KCMH is seeking to raise additional funds for activities, including expansion, acquisitions and long-term commitment of key management personnel.

KCMH does not project significant increases in the Company’s fixed administrative costs and will continue to utilize qualified sub-contractors and outsourcing. This has proven to be extremely cost effective and KCMH management projects this philosophy to continue.

B. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The Company’s financial condition and results of operations are based upon the accompanying financial statements and related notes thereto. The preparation of these financial statements requires management to make estimates and judgments that affect the reports amounts of assets, liabilities, revenues, and expenses and related disclosures of contingent liabilities. On an ongoing basis, management evaluates its estimates, including those that relate to income tax contingencies, revenue recognition, and litigation. Management bases its estimates on historical experience and on various other assumptions that are believed to be

KCM Holdings Corp. and Subsidiaries

First Quarter 2010 Financial Statements

reasonable under the circumstances, the results of which form the basis for making determinations regarding the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. If actual results significantly differ from management's estimates, the Company's financial condition and results of operation could be materially impaired. The following discussion may contain forward-looking statements that reflect future plans, estimates, beliefs, and expected performance. The forward-looking statements are dependent upon events, risks, and uncertainties that may be outside our control. Our actual results may differ materially from those discussed in these forward-looking statements. As such, the forward-looking events may not occur.

Please see attached financials for results of operations for the three months ending March 31, 2010.

Currently, trends in the economic strength of North American markets may cause events and uncertainties that will affect KCMH's short and long-term liquidity. However, as the economy continues to show signs of economic strength, KCMH feels confident in meeting and continuing to exceed revenue standards set by the past operating year's results.

C. Off-Balance Sheet Arrangements

None

5. Legal proceedings.

None

6. Defaults upon senior securities.

None

7. Other information.

No update necessary

8. Exhibits.

Cautionary Statement Concerning Forward Looking Statements

Certain portions of this analysis include forward-looking statements within the meaning of Section 27A of the Securities Act of 1993 and Section 21E of the Securities Exchange Act of 1934 including statements regarding expected continual growth of the company and the value of its securities. In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 it is hereby noted that statements contained herein that look forward in time which include everything other than historical information, involve risk and uncertainties that may affect the company's actual results of operation. Factors that could cause actual results to differ include the size and growth of the market for the company's products, the company's ability to fund its capital requirements in the near term and in the long term, pricing pressures, unforeseen and/or unexpected circumstances in happenings, pricing pressures, etc. Investing in securities is speculative and carries risk. Past performance does not guarantee future results.

KCM Holdings Corp. and Subsidiaries
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UNAUDITED

**KCM Holdings Corp. and Subsidiaries
Consolidated Statements of Income
For the Three Month Ending March 31, 2010**

Revenues		\$185,000
Sales Marketing & Strategic Business Incubation Expenses		125,000
General and Administrative Expenses		
Occupancy	25,000	
Professional Fees	4,700	
Other	<u>50,300</u>	
Total General and Administrative	80,000	
Total Expenses	<u>205,000</u>	
Operating Loss	(\$20,000)	

KCM Holdings Corp. and Subsidiaries
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UNAUDITED

**KCM Holdings Corp. and Subsidiaries
Consolidated Balance Sheet
March 31, 2010**

ASSETS

March 31, 2010

Current Assets:

Cash and cash equivalents	\$ 9,000
Accounts receivable	133,000
Inventory	60,000
Short-term investments	<u>97,280</u>
Total Current Assets	299,280

Other Assets:

Organizational and development costs	70,000
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Fixed Assets:

Property and equipment	<u>65,000</u>
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TOTAL ASSETS

\$434,280

LIABILITIES AND STOCKHOLDERS' EQUITY

Current Liabilities:

Accounts payable	\$21,000
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Stockholders' Equity

Common shares, \$.001 par value; 500,000,000 authorized, 67,420,000 issued and outstanding	67,420
Preferred Shares, \$.001 par value; 50,000,000 authorized, 45,000,000 issued and outstanding	45,000
Additional paid-In-Capital	228,760
Retained earnings	<u>72,100</u>
Total Stockholders' Equity	413,280

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$434,280

UNAUDITED

**KCM Holdings Corp. and Subsidiaries
Consolidated Statements of Cash Flow
Three Months Ending March 31, 2010**

Cash Flows From/(Used For) Operating Activities

Net Income/(Loss)	\$ (20,000)
Adjustments to reconcile net income/(loss) to net cash provided (used for) operations:	
Depreciation	4,000
Decrease in accounts receivable	8,000
Decrease in Inventory	300
Increase in Accounts Payable	<u>3,700</u>
Net Cash Used in Operating Activities	(4,000)

Cash Flows From/ (Used For) Investing Activities

Decrease in Organizational Costs	300
Sale of securities	<u>3,000</u>
Cash From/(Used For) in Investing Activities	3,300

Net Decrease in Cash for Period	(700)
Cash at Beginning of Period	<u>7,700</u>
Cash at End of Period	\$7,000

KCM Holdings Corp. and Subsidiaries
First Quarter 2010 Financial Statements

UNAUDITED

**KCM HOLDINGS CORP.
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the Three Months Ending March 31, 2010**

	Common Shares			Retained Earnings	Preference Shares		Total Shareholders' Equity
	Number of Shares	Par Value	Additional Paid-In Capital		Number of Shares	Par Value	
BALANCE January 1, 2010	67,420,000	\$67,420	\$228,760	\$92,100	45,000,000	\$45,000	\$433,280
Net income/(Loss)				\$(20,000)			\$111,000
BALANCE March 31, 2010	67,420,000	\$67,420	\$228,779	\$72,100	45,000,000	\$45,000	\$413,280

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Development Stage Company

KCM Holdings Corp. and wholly-owned Subsidiaries, KCM Insurance, KCMSMG USA, KCM Strategic Venture Group, KCMH Florida, KCM Relativity Fund and the KCM Trading Group (the Company) are development stage companies defined under Statements of Financial Accounting Standards No. 7.

Revenue Recognition

KCM Holdings Corp. and its subsidiaries use the accrual basis of accounting.

Risks and Uncertainties

The Company's operations will be subject to significant risk and uncertainties including financial, operational, regulatory and other risks associated with a development stage company, including the potential risk of business failure.

Use of Estimates

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

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

The Company minimizes its credit risk associated with cash by periodically evaluating the credit quality of its primary financial institution. The balance at times may exceed federally insured limits. At March 31, 2010 there were no balances that exceeded the federally insured limit.

Beneficial Conversion Feature

Pursuant to Emerging Issues Task Force Issue No. 98-5 ("EITF 98-5"), *"Accounting For Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratio"* and EITF Issue No. 00-27, *"Application of EITF Issue No. 98-5 to Certain Convertible Instruments,"* if the Company were to record a beneficial conversion feature, the fair value of the beneficial conversion feature would be recorded as a debt discount up to a maximum amount equivalent to the face amount of the debt instrument. The discount would be amortized to interest expense over the life of the debt.

Earnings per Share

Basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period. Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period.

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For the period from January 1, 2010 to March 31, 2010, the Company had no common stock equivalents that could potentially dilute future earnings (loss) per share; hence, a separate computation of diluted earnings (loss) per share is not presented.

Stock-Based Compensation

There was no stock-based compensation during the first quarter of 2010. Any future share-based payments to employees will be recorded and expensed in the statement of operations as applicable under SFAS No. 123R "*Share-Based Payment*".

Non-Employee Stock Based Compensation

There were no stock-based awards to non-employees during the first quarter of 2010. Future stock-based compensation awards issued to non-employees for services will be recorded at either the fair value of the services rendered or the instruments issued in exchange for such services, whichever is more readily determinable, using the measurement date guidelines enumerated in Emerging Issues Task Force Issue EITF No. 96-18, "*Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services*" ("EITF 96-18").

Fair Value of Financial Instruments

The carrying amounts of the Company's short-term financial instruments, including prepaid expenses and loan payable, approximates fair value due to the relatively short period to maturity for these instruments.

Segment Information

The Company follows Statement of Financial Accounting Standards No. 131, "*Disclosures about Segments of an Enterprise and Related Information*." During the first quarter of 2010, the Company did not operate in any segments; therefore, segment information has not been presented.

Recent Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 160, "*Noncontrolling Interests in Consolidated Financial Statements, an amendment of Accounting Research Bulletin No 51*" ("SFAS 160"). SFAS 160 establishes accounting and reporting standards for ownership interests in subsidiaries held by parties other than the parent, changes in a parent's ownership of a noncontrolling interest, calculation and disclosure of the consolidated net income attributable to the parent and the noncontrolling interest, changes in a parent's ownership interest while the parent retains its controlling financial interest and fair value measurement of any retained noncontrolling equity investment. SFAS 160 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. Early adoption is prohibited. The adoption of SFAS No. 160 did not have a material effect on the Company's financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS 141R, "*Business Combinations*" ("SFAS 141R"), which replaces FASB SFAS 141, "*Business Combinations*". This Statement retains the fundamental requirements in SFAS 141 that the acquisition method of accounting be used for all business combinations and for an acquirer to be identified for each business combination. SFAS 141R defines the acquirer as the entity that obtains control of one or more businesses in the business combination and establishes the acquisition date as the date that the acquirer achieves control. SFAS 141R will require an entity to record separately from the business combination the direct costs, where previously these costs were included in the total allocated cost of the acquisition. SFAS 141R will require an entity to recognize the assets acquired, liabilities assumed, and any non-controlling interest in the acquired at the acquisition date, at their fair values as of that date. This compares to the cost allocation method previously required by SFAS No. 141. SFAS 141R will require an entity to recognize as an asset or liability at fair value for certain contingencies, either contractual or non-contractual, if certain criteria are met. Finally, SFAS 141R will require an entity to recognize contingent consideration at the date of acquisition, based on the fair value at

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that date. This Statement will be effective for business combinations completed on or after the first annual reporting period beginning on or after December 15, 2008. Early adoption of this standard is not permitted and the standards are to be applied prospectively only.

Upon adoption of this standard, there would be no impact to the Company's results of operations and financial condition for acquisitions previously completed. The adoption of SFAS No. 141R did not have a material effect on the Company's financial position, results of operations or cash flows.

In October 2008, the FASB issued FSP FAS 157-3, "*Determining the Fair Value of a Financial Asset When the Market For That Asset Is Not Active*" ("FSP FAS 157-3"), with an immediate effective date, including prior periods for which financial statements have not been issued. FSP FAS 157-3 amends FAS 157 to clarify the application of fair value in inactive markets and allows for the use of management's internal assumptions about future cash flows with appropriately risk-adjusted discount rates when relevant observable market data does not exist. The objective of FAS 157 has not changed and continues to be the determination of the price that would be received in an orderly transaction that is not a forced liquidation or distressed sale at the measurement date. The adoption of FSP FAS 157-3 is not expected to have a material effect on the Company's financial position, results of operations or cash flows.

In April 2009, the FASB issued FSP SFAS 157-4, "*Determining Whether a Market Is Not Active and a Transaction Is Not Distressed*," which further clarifies the principles established by SFAS No. 157. The guidance is effective for the periods ending after June 15, 2009 with early adoption permitted for the periods ending after March 15, 2009. The adoption of FSP FAS 157-4 is not expected to have a material effect on the Company's financial position, results of operations, or cash flows.

Other accounting standards have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date and are not expected to have a material impact on the financial statements upon adoption.

Income Taxes

The Company accounts for income taxes under the liability method in accordance with Statement of Financial Accounting Standards No. 109, "*Accounting for Income Taxes*." Under this method, deferred income tax assets and liabilities are determined based on differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

The Company adopted the provisions of FASB Interpretation No. 48; "*Accounting for Uncertainty in Income Taxes-An Interpretation of FASB Statement No. 109*" ("FIN 48"). FIN 48 contains a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not, that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount, which is more than 50% likely of being realized upon ultimate settlement.

The Company considers many factors when evaluating and estimating the Company's tax positions and tax benefits, which may require periodic adjustments. At March 31, 2010, the Company did not record any liabilities for uncertain tax positions.

SFAS 109 requires the recognition of deferred tax assets and liabilities for both the expected impact of differences between the financial statements and the tax basis of assets and liabilities, and for the expected future tax benefit to be derived from tax losses and tax credit carryforwards. SFAS 109 additionally requires the establishment of a valuation allowance to reflect the likelihood of realization of deferred tax assets.

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The Company has a net operating loss carry forward, for tax purposes, totaling \$143,750 at December 31, 2009 expiring through the year 2029. Internal Revenue Code Section 382 places a limitation on the amount of taxable income that can be offset by carryforwards after a change in control (generally greater than a 50% change in ownership).

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Management does not feel that some portion of the deferred income tax assets will not be realized.

NOTE 2 – DEPRECIATION

The Company depreciates all furniture and equipment over three years and takes one-half year depreciation in the year the asset was placed in service.

NOTE 3 – BASIS OF CONSOLIDATION

Since KCM Holdings Corp. owns 99% or more of each of its subsidiaries, the Equity Method of accounting is used for the preparation of the Consolidated Financial Statements. Under the Equity Method all subsidiary revenues, expenses, tax liabilities, profits and/or losses were consolidated. The minority interests for the two subsidiaries which the Company had a ninety-nine percent ownership position were deemed immaterial and were not included on the Consolidated Financial Statements.

NOTE 4 – EQUITY

Common Stock

The Company has 500,000,000 shares of \$.001 par value authorized and 67,420,000 shares outstanding at March 31, 2010. The shares have no dividend rights, no liquidation rights, no liquidation value and no redemption rights.

Preferred Stock

The company has 50,000,000 shares of \$.001 par value Preferred shares authorized, with 45,000,000 shares issued and outstanding at March 31, 2010. The shares have no dividend rights and convert at the holders' or the Company's option to the Company's Common Stock at a rate of 50 to 1. The shares vote with the common shareholders at the same rate as the conversion rights. The shares have no liquidation value, no liquidation rights and no redemption rights.

NOTE 5 – MANAGEMENT OPINION

It is the opinion of the Company's Management that the Consolidated Financial Statements for the three months ended March 31, 2010 reflect fairly the results of the Company's operations

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9. Purchases of Equity Securities by the issuer and affiliated purchasers.

None

10. Certifications.

I, Donald Klein, President, certify that:

1. I have reviewed this initial disclosure statement for this quarterly update of KCM Holdings, Corp.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations, and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

March 31, 2010

A handwritten signature in black ink, appearing to read 'Donald Klein', with a stylized flourish at the end.

Donald Klein
President/CEO
KCM Holdings, Corp.