MED GEN INC

FORM 10KSB

(Annual Report (Small Business Issuers))

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Address	7280 W PALMETTO ROAD
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	BOCA RATON, FL 33433
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Sector	Healthcare
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-KSB

(Mark One)

[X] Annual Report Pursuant To Section 13 Or 15(D) Of the Securities Exchange Act Of 1934

For the fiscal year ended September 30, 2007

[ ] Transition Report Under Section 13 Or 15(D) Of The Securities Exchange Act Of 1934

For the transition period from _____ to _____

COMMISSION FILE NUMBER 0-11-50

MED GEN, INC.
(Name of small business issuer in its charter)

NEVADA	65-0703559
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

7280 W. Palmetto Park Road, Suite 306 Boca Raton, Florida	33433
(Address of principal executive offices)	(Zip Code)

Issuer's telephone number: (561) 750-1100

Securities registered under Section 12(b) of the Exchange Act:

NOT APPLICABLE

Securities registered under Section 12(g) of the Exchange Act:

COMMON STOCK

Check whether the issuer (1) filed all reports required to be filed by
Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Check if there is no disclosure of delinquent filers in response to

Item 405 of Regulation S-B is not contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [ ]

State issuer's revenues for its most recent fiscal year:$1,765,160

State the aggregate market value of the company's common stock held by non-affiliates as of September 30, 2006, was (See definition of

affiliate in Rule 12b-2 of the Exchange Act.): $626,330.14 as of September 30, 2007.

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 2,325,632,936 Shares of Common Stock as of December 27th, 2007.

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

Yes [ ] No [X]

Transitional Small Business Disclosure Format (check one):

Yes [ ] No [X]

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PART I

FORWARD LOOKING STATEMENTS

The information in this Annual Report on Form 10-KSB contains forward- looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward- looking statements involve risks and uncertainties, including statements regarding Med Gen, Inc. capital needs, business strategy and expectations. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may", "will", "should", "expect", "plan", "intend", "anticipate", "believe", "estimate", "predict", "potential" or "continue", the negative of such terms or other comparable terminology. Actual events or results may differ materially. In evaluating these statements, you should consider various factors, including the risks outlined below, and, from time to time, in other reports Med Gen, Inc. files with the SEC. These factors may cause Med Gen, Inc actual results to differ materially from any forward-looking statement. Med Gen,Inc. disclaims any obligation to publicly update these statements, or disclose any difference between its actual results and those reflected in these statements. The information constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995.

CURRENCY

All dollar amounts in this Annual Report on Form 10-KSB are presented in United States dollars unless otherwise indicated.

ITEM 1 -- DESCRIPTION OF BUSINESS

Company Background

Med Gen, Inc. (the "Company") was established under the laws of the State of Nevada in October 1996. Executive offices are located at 7280 W. Palmetto Park Road, Suite 306, Boca Raton, Florida 33433. The Company's phone number is (561) 750-1100. The Company currently operates five (5) Web sites: www.medgen.com, www.snorenz.com, www.pain- enz.com, and www.4goodnight'sleep.com and www.fabulust.com.

The Company's common stock trades on the OTC Bulletin Board under the symbol"MGEN.OB"

The Company was established to manufacture, sell and license healthcare products, specifically to the market for alternative therapies (health self-care). One out of every three households practice some form of alternative therapies. Industry observers estimate this market's size at $100 billion a year, which includes the diet category, a level of consumer expenditure almost triple the level of expenditure in 1990.

The two most prominent factors contributing to this robust growth are
(i)increased levels of education among consumers; and, ii) changing patterns of primary care (both in cost and in delivery).

In 2005, because of a need to fund its new Direct to Consumer marketing plan (DTC) which, essentially shut off revenue created from the retail

sales of its products. This conversion was estimated to cost over $2M. To help finance this conversion and future growth, management started a Financial Consulting service, offering their years of experience, insight and practical know-how to officers of other Public Companies.

The idea caught on with the company's lenders and they recommended potential clients. This, along with other contacts, were the building blocks that produced earnings during this reporting period for the company. Earnings exceeded $1.3 million and provided the majority of capital necessary to continue the marketing conversion as well as the completion of the company's newest product FabULustT.

Shareholders might view this as a change of direction for the company. The explanation (above) and past published reports,have further explained that management has no intention of changing the major focus of the company. The greatest assets of our company can be found in our stable of uniquely designed products. These products, which have been carefully researched address markets that exceed $100 Billion and will eventually grow Med Gen.

The Company's flagship product has been SNORenz[R], a throat spray which reduces or eliminates the sounds ordinarily associated with snoring. SNORenz[R] is free of artificial colors, flavors or preservatives. Its patented ingredients, technology and Liposome[R] manufacturing process, delivers consistent and measured droplet spray mists directly to the back of the throat, lubricating the uvula and soft palate that vibrate with each breath. Each application lasts about six to eight hours. Moreover, the all-natural peppermint taste further provides the satisfaction of waking up without a morning breath.

SNORenz[R] is currently sold through Direct Marketing (DRTV) and Direct to Consumer (DTC) programs by way of the company owned web sites, affiliate programs and various TV Commercials and Print advertising campaigns. The company also sells retailers and wholesalers nationwide.

The Company also markets additional products that deploy its proprietary technology. Good Nights Sleep[TM]. Good Nights Sleep[TM] is a liquid throat spray formulation for sleep aide. The company offers two versions of formulations, one is all natural and the other uses the popular diphenhydromine as an active ingredient, "Good Nights Sleep[TM] is the first spray liquid in this category to enter the US market. The product is now being sold on the Company web site. In August, 2006 the company completed R&D on UNDIET[R], a novel all liquid diet system featuring Hoodia Gordonii and Advantra Z[R] UNDIET[R] was test launched in October 2006 when it aired on 10 Cable TV stations, Woman's Day, Red Book and Newsweek magazines.

Painenz[R], a roll-on topical pain relief product, has been successfully tested with Health & Wellness Club, Golf PGA and Gardner clubs and their affiliated magazines. The product has met with a better than 78% approval rating. Painenz is now being advertised in Newsweek magazine as a test for future revenue growth.

Fab U Lust [TM] is the company's newest product. It is a specialized formula used to enhance sexual stimulation in women. The product will be featured in magazines and several TV commercials. In December 2007, the company signed a one year contract with Sunset Thomas, a popular "Porn" star to act as the products spokesperson. The agreement calls for her to appear in TV and Print Commercials as well as specific personal appearances.

The Company also markets its products under several private labels for other distributors in the United States and overseas.

The company is working on the completion of two new products to be launched in 2008 using its proprietary STW technology. Recently the company launched its Sonergy[R] line of nine (9) commonly used vitamin and herbal products on its web site. The line should bring greater visibility to the site and result in increased sales.

DESCRIPTION OF PRODUCTS

SNORenz[R]

SNORenz[R] is an original and innovative entry into the anti- snoring industry. Never before has any company introduced a liquid throat spray to prevent or quiet the noise of snoring. Mr.Kravitz, Mr. Mitchell and Mr. Robinson were awarded a Patent on the ingredients and formula on February 13, 2001. They assigned the patent to the Company for a period of three years. The Company still utilizes the formula and all trade secrets in its manufacturing process. The medical and psychological communities have studied the causes and symptoms of sleep deprivation for many years.

Sleep clinics can be found internationally at the largest hospitals and universities, and there is a large body of published work on the subject of snoring. It has been documented in clinical tests that much of sleep deprivation is caused by snoring. Not only is the snorer disturbed, but those within close proximity of the noise are disturbed as well. As the muscles relax during sleep, air flows in and out of the mouth causing the vibration of the tongue, soft palate and uvula which produces the sound commonly referred to as snoring.

In 2002, the Company completed a double blind study at Northwestern Hospital's Sleep Center in Atlanta, GA, under the direction of Dr. Samuel Mickelson of the Advanced Ear Nose and Throat P.C. The results of that study concluded that Snorenz is an effective product to reduce the noise associated with snoring.

Traditional snoring remedies include surgical procedures, mechanical devices and dental appliances. During surgery, portions of the vibrating tissue are cut away by scalpel or laser in an attempt to remove the noise-making tissues.

This type of procedure is painful, takes months to heal, and may not offer a long-term solution. Mechanical devices primarily attempt to increase the volume of air or create positive air pressure using some type of breathing apparatus connected to an air pump. This is not only uncomfortable, it also limits one's sleeping positions. Dental appliances also attempt to increase the volume of air by expanding the opening of the mouth or by repositioning the lower jaw and/or the tongue to decrease the vibration effect. Again, wearing one of these is not the most comfortable way to sleep. The costs of these methods can be considerable and may not be covered by basic medical insurance programs.

Snoring is a problem that affects over 60% of males and 40% of females. In the United States alone, it is documented that there are over 94 million people who suffer with and from the effects of snoring. Snoring causes a poor quality of sleep. The medical implications of snoring usually are not life threatening, except for a malady called Sleep Apnea, which is not as yet curable. Therapy has been increasing in response to demand to solve the side effects of snoring noise.

Experiments with weight loss, the avoidance of alcoholic beverages and the changing of sleep positions have largely proven ineffective. Sufferers who demand some relief are now seeking more aggressive methods. Invasive surgery, continuous positive airway pressures (PAP),or appliances are now being used. These methods have had variable success in improving the quality of sleep and reducing snoring. Due to the discomfort and cost of these methods, less invasive methods are now being evaluated.

The Biotechnology underlying Med Gen Products

One of the most promising of all these new methods is the use of a natural blend of oils and vitamins specially formulated to be used as a spray. After years of research, such a product was developed by a medical specialist in Brazil with encouraging initial results. The Company acquired this initial technology, the trade secrets and initial proprietary formula for worldwide commercial marketing which over the years has been perfected, re-tested and re-formulated leading to the issuance of a patent that has been assigned to the Company. The Company has spent considerable capital and other resources to further improve the delivery of this spray by using, as its manufacturing technology, the patented technology called Liposome[R], which enables the blend of oils to remain equally disbursed and suspended in a vesicle in solution. This, the patented formula and other trade secrets comprise the underlying biotechnology of SNORenz[R].

Because of this specialized manufacturing process, there is never a need to shake the bottle as the solution is permanently blended. The Company intends to market other over-the-counter products for alternative therapies. By way of explanation, Lipoceuticals are liposomes in a multiphasic system that contains an active ingredient in each phase. The ability to encapsulate a variety of lipophilic and hydrophilic ingredients, peptides and proteins are the obvious advantages needed to enhance delivery, improve quality and sustain product performance of SNORenz[R]. This technology is far superior and much more expensive than other emulsion type delivery systems and insures the highest possible quality available in the market today.

The advantages and benefits of this technology and delivery system are that the SNORenz[R] LipoSpray is absorbed transmucosally to provide systemic distribution; has a higher concentration of active ingredient in the mucosal tissue; has longer residence time of active ingredient in the mucosal tissue; and, has a high encapsulation rate for improved performance of the active ingredient. It also has greater bioavailability, which means that it has faster onset of effect, greater overall absorption, sustained administration, improved convenience and no pills, water or swallowing problems.

SNORenz[R] attempts to reduce or eliminate the sounds associated with snoring by simply lubricating the vibrating tissues in the throat with a combination of five natural oils, vitamins, and trade secret trace ingredients. The product is formulated to adhere to the soft tissues in the back of the throat for an extended period of time, and may be reapplied as needed. Clinical studies, "Double Blind" studies and scores of testimonials and repeat sales indicate a high level of success for SNORenz[R] users. SNORenz[R] is not effective where users have consumed a large amount of alcoholic beverages shortly before application, as the alcohol tends to break down the chemical bonds of

the natural oils. It should also be noted that SNORenz[R] is not a cure for APNEA, a condition for which there is no known cure.

SNORenz[R] carries a 30-day money back guarantee. The Company has experienced negligible product return rates over the past five fiscal years.

GOOD Nights Sleep[TM]

Good Nights Sleep[TM] ("GNS") is a night time sleep aid and the first such product formulated as a throat spray. Positioned to compete with Sominex[R],Simply Sleep[R] and Excedrin PM, which are all solids; GNS enters the market catering to people who have difficulty taking pills and who want "fast action" results which only a liquid can give.

Truly innovative in its formulation, GNS uses Diphenhydramine HCLin quantities of 8.3mg in each measured spray. Absorption into the mucous membranes of the throat and cheeks is immediate and the resultant sleep inducement is almost immediate.

GNS is alcohol free and contains inactive ingredients, citric acid, flavor, glycerin, poloxamer 407, potassium sorbate, purified water, sodium benzoate, sodium citrate and sorbitol.

The product comes in a "protected sealed" bottle with a screw on spray applicator. Heavy emphasis in advertising is on a "spray alternative to pills". Since the product does not contain any natural sugar, it would be approved for diabetics use.

PAINenz[R]

A recently commercialized product in the Company's family of products, is a topical analgesic sold over-the-counter. It significantly reduces the pain common to arthritis sufferers, normal aches and pains due to exercise and other muscle stress, simple backache pain and muscle sprains. The product comes in a roll-on applicator. The market for over-the-counter pain relief products is estimated to exceed $2.5 billion per year.

The active ingredients in PAINenz[R] are, Glucosamine, Chondroitin, Cetyl Myrist Oleate(CMO) and Capsaicin (kap SAY ih sihn), a derivative of the hot pepper plant. When applied as an external analgesic, Capsaicin depletes and prevents reaccumulation of substance P in peripheral sensory neurons. Substance P is found in slow-conducting neurons in the outer and Inner skin layers and joint tissues, and is thought to be the primary chemical mediator of pain impulses from the periphery to the central nervous system. by depleting substance P, Capsaicin renders skin and joints insensitive to pain since impulses cannot be transmitted to the brain.

Capsaicin has been approved by the United States Food and Drug Administration ("FDA") for use without a prescription in topical preparations marketed for the temporary relief of pain from arthritis, or for the relief of minor aches and pains of muscles and joints. Information on both Capsaicin and Liposome is available on the Internet (www.capsaicin.com and www.liposomes.com).

THE UNDIET[R] SYSTEM

The strength of the UNDIET[TM] program lies in the very fact that it does not rely upon the [lack of] intake of food to produce significant weight loss. Rather, the three products, and their formulations, that

form the entire UNDIET[R] program are specially formulated liquid sprays, easily absorbed into the mucous membrane of the throat area to produce specific fast acting results.

THE PROGRAM CONSISTS OF:

Appease[TM], which is an all natural spray producing a strong feeling of fullness thereby reducing the desire to eat. It also lessens the desire to crave sugar/sweet products.

Weight Shield[TM], which is an all natural spray formulation that actually "burns" the fat intake. The reduction of fatty foods and fat intake is essential for weight control.

Simply Trim[TM], which is an all natural spray formulation that combines the appetite suppressant with the fat burning qualities. Using other additives to the formulation, the user will not only feel an immediate lessening of a desire to eat but will, if used as prescribed, prevent the "bounce back" that most dieters experience with other diet programs.

The weight loss industry is an ever expanding industry that claims between $50-$60 billion in sales revenue. Almost 66% of the national population suffer from overweight problems. Medically, there is a large array of illness caused by the overweight problem.

By using Med Gen's STWT [Sprays The Way] manufacturing technology and by producing another industry first (a liquid spray diet product), Med Gen hopes to turn the corner to profitability and gain a substantial piece of the $60 billion pie.

Fab U Lust [TM]
Fab U Lust [TM] departing from its STW System, Med Gen has designed a Roll-On Dispenser to dispense the ingredients (a closely held formula) for a female clitoral stimulant. This addresses the needs of an estimated 100 million women who have difficulty reaching orgasm.

CigarHolder [TM]
The company has created a novel design for the resting of cigars. The CigarHolder, made of hard plastic, features a novel clip and holder capable of holding two cigars. The device can be clipped to a table, steering wheel, handlebar or almost any object. The company has a patent pending on the device and has already started marketing efforts. While this might seem as a departure for the company, management feels as though any product that is enjoyed by so many people, creating calm and relaxation and that enjoys a high consumer demand, should be considered as health inducing and a substantial opportunity to create revenue for the company.

Marketing

Med Gen products are currently sold through DRTV television and print advertising campaigns. As well as company owned and operated web sites direct to the consumer. It is also sold to distributors overseas under protective Distribution Agreements. Snorenz[R]continues to be sold in select retail stores, although on a very limited basis as an over the counter product. It is difficult to know the number of independent retailers that carry Snorenz[R] because the product is sold thru distributors. However, the following stores carry Snorenz[R] and buys direct from the company. Albertsons Supermarkets, American Stores (a division of Albertsons which includes Jewel Stores, Jewel T Stores, Osco Drugs and Sav-On Drugs).

Previously, the reliance on "retail" store distribution has hurt Med Gen because of the company's inability to sustain large costs put upon it by major chain and drug stores. Additionally, the cost of consumer advertising is excessive to support "pull thru" sales at the retail levels. For this reason, the company has established a direct to consumer marketing program, commonly referred to as "DTC", enhanced its web site and pointed its advertising programs towards increasing this marketing strategy.

In doing so, the company need only to produce 1/3 of its ordinary sales to realize the same profit margins. Employing both marketing strategies is meant to leverage every opportunity the company has to bring its products to market while conserving capital resources.

Distribution Agreement

Med Gen Inc. has elected to manufacture all its products by contract manufacturers under secret and protected manufacturing agreements signed on behalf of the Company. Through a distribution agreement a principal of a manufacturer and the Company's two principals share patent rights to the formulas.

Not including international sales generated from its Internet site, the Company has distributors to sell its alternate brands in Australia, New Zealand, Japan, China and Korea. The Company fully expects to be able to piggyback additional products through this distribution network in the future.

Spokesperson Agreement

On December 15, 2007 the company signed a 1 year Agreement with Sunset Thomas (Princess of Porn) to promote the company's newest product Fab U Lust[TM]. Sunset will appear in Company commercials and advertising materials. The Agreement calls for an initial signing Bonus of $10,000 and Royalty payments based on volume of sales. A Bonus Royalty is to be paid after the sales reach 1 million dispensers sold. As part of the Agreement, Sunset will promote the product in her upcoming Vavoom TV shows and her motion pictures and personal appearances.

COMPETITION, MARKET SHARE AND INDUSTRY ENVIRONMENT

As a general overview, management has selected products and categories that enjoy huge consumer markets and tremendous growth opportunities. The products are all unique in some aspect, whether it be in the formulation or the delivery system. Management believes that because of this, it can realize substantial growth with a reasonably small investment in advertising dollars, reinvesting its profits back into advertising to continue the upward trend.

The Information Research Institute (IRI) is arguably the seminal research organization regarding consumer products research. The category, Sleeping Remedies, is a $161 million market. In 1998, a sub- category, Sleeping Aids, Liquid, was created.

In the snoring relief category, there are three competitors, Breathe Right Spray[R], Snore Stop[R] and Y-Snore[R], the largest is Breathe Right [R]. Although this product was introduced into the market in the past Three years, CNS has spent a considerable amount of money on PR and advertising, replacing SNORenz[R] as the number 1 seller in the snoring category. The company has never been able to compete with them for lack of advertising dollars. In the latter part of 2005, the

company started changing its marketing direction to a Direct to Consumer approach and has recently been moving forward to obtain funding for this purpose. The company believes that it can build back its base of loyal customers and reach profitability faster by concentrating on Direct to Consumer marketing. As a result of this decision, the Company has updated its website.

Good Nights Sleep[TM], although new, enjoys an enviable position in that it still remains the only Brand available as a liquid throat spray for sleep aid. Although it has a lot of competition from well known brands, all of the existing products are in "hard" form delivery systems. The Company has begun a marketing program to direct the consumer to its website.

The company's entree into the weight loss industry is significant to its overall strategy. The present market is in excess of $70 billion and the company believes that its UNDIET[R] System represents a unique alternative to those seeking a non-food weight loss system. A small percentage of this market will represent significant earnings for Med Gen. Management does not know of any similar program presently being marketed. This "stand alone" position represents a tremendous opportunity for Med Gen.

Sex sells, and although it is difficult to obtain any reliable data, it is reported to be a $100 billion industry. The company's newest product Fab U Lust[TM] addresses the often hidden needs of women who have difficulty reaching orgasm and as a result eliminates the joy of sexual activity with their partners. Fab U Lust[TM}, in development for a year, has a unique formulation that incorporates a roll-on applicator. The combination titillates the clitoris and allows the women to easily reach orgasms.

Dominant Customers

In fiscal year 2007 the Company's largest retail customer was Albertson's. The company has reduced its dependence on retail stores and now sells direct to its customers via TV, Radio, and Print commercials, as well as its web site.

Internet Sales

In 2002 the Company converted its marketing strategy from Direct Marketing to consumer retail store sales as a result, Internet pricing was dramatically reduced by 50% to be consistent with unit pricing in the retail network. Therefore, although unit sales remained steady, and have even slightly increased, dollar sales have dropped. This trend is expected to be reversed as a result of the new DTC approach. The Company operates four e-commerce web sites, www.snorenz.com, www.medgen.com .,www.pain-enz.com, www.4Goodnightsleep.com. Orders from these sites average over $4,000 per month in retail sales. Other enhancements to the Company's web sites were completed in 2006, with optimization continuing through 2007.

The Company expects to show steady and important increases in future sales on its Internet site. During the third quarter of fiscal 2008 (April to June), the web site was re-designed to increase "user friendly" utilization and to offer new company products. In addition, the company has appointed an executive to head-up the Internet Sales so that there will be a concentrated effort made in this important media. Investor Relations will also be included and enhanced on the web site with more frequent up- dates than previously given. Although no sales figures can be given or estimated, the Company expects that

these efforts will produce substantial increases in e-commerce sales in fiscal 2008.

Patents, Trademarks and Licenses

The name "SNORenz[R]" is a registered trademark, owned by the Company, and issued by the United States Patent and Trademark Office (Reg. No. 2,210,381 - 12/15/98). An application of renewal has recently been filed. The Company also owns the trademark registration for the Good Nights Sleep product.

The Company has registered SNORenz[R] in Korea and Snoraway[R] and Good Night's Sleep[R] in all countries participating in the EU as a Community Trademark. It has also registered Fab U Lust [TM] in Europe and the United States.

Financial Services Division:

In early 2005 management formed a Financial Services Division creating and additional revenue source that would provide the capital necessary for the completion of its business plan for marketing its line of products.

The company over the past year serviced 11 clients and now has 7 active clients for which it provides consulting and other services. The company has substantially increased its revenue and as a result of this influx of capital has been able to invest in several new TV, Print and Radio commercials for its products. The additional capital aided in the completion of the Fab U Lust [TM] and CigarHolder [TM] product lines.

The future of this division is dependent on its continued success and company financial needs. Certainly management points, with great pride, to the over $1.7 million in revenue generated by the division in fiscal 2007, which was used to fund the gap caused by the significant drop in product revenue caused by the decision to change marketing direction to DTC, finish the R&D and the development of its new web sites as well as produce, test and air several commercials plus the introduction of two new products, Fab U Lust[TM] and CigarHolder[TM]. A substantial amount of this capital will be used to buy the air-time for the already produced commercials. These commercials are expected to air during the second, third and fourth quarters of fiscal 2008.

Government Regulation

The manufacturing, processing, formulation, packaging, labeling and advertising of the Company's products may be subject to regulation by one or more federal agencies, including the FDA, the Federal Trade Commission ("FTC"), the Consumer Product Safety Commission, the United States Department of Agriculture, the United States Postal Service, the United States Environmental Protection Agency and the Occupational Safety and Health Administration. The Company's products may also be regulated by various agencies of the states and localities in which our products will be sold. In particular, the FDA regulates the safety, labeling and distribution of dietary supplements, including vitamins, minerals, herbs, food, OTC and prescription drugs and cosmetics.

The regulations that are promulgated by the FDA relating to the manufacturing process are known as Current Good Manufacturing Practices ("CGMPs"), and are different for drug and food products. In addition, the FTC has overlapping jurisdiction with the FDA to regulate the labeling, promotion and advertising of vitamins, OTC drugs, cosmetics and foods. The FDA is generally prohibited from

regulating the active ingredients in dietary supplements as drugs unless product claims, such as claims that a product may heal, mitigate, cure or prevent an illness, disease or malady, trigger drug status.

Governmental regulations in foreign countries where the Company may sell our products may prevent or delay entry into a market or prevent or delay the introduction, or require the reformulation, of certain of our products. In addition, the Company cannot predict whether new domestic or foreign legislation regulating its activities will be enacted. Such new legislation could have a material adverse effect on the Company.

Federal Trade Commission

The Company's product packaging and advertised claims strictly adhere to Federal Trade Commission regulations and guidelines. The Company has complied with all FTC regulations with respect to revamping and redesigning its packaging and labels with "APNEA" warnings that meet all new compliance issues. The Company intends to comply with all government regulations, both in domestic and foreign markets, regarding the distribution and sales marketing of its product lines.

Reports to Security Holders

The Company periodically prepares and publishes News Releases and other significant reports that are deemed newsworthy. These reports are sent to Business Wire for wide distribution. In addition, shareholder reports are mailed to all shareholders, as the Company deems necessary. Notices of yearly shareholders' meetings, proxy statements and events of this nature are distributed with the help of Liberty Transfer Company, the Company's transfer agent, and with information obtained from ADP Investor Communication in regard to street name accounts.

Employees

The Company currently has eight full-time employees. Paul Kravitz is the Chairman, Secretary and Chief Executive Officer of the Company; Paul S. Mitchell is President, Treasurer and Chief Operating Officer; and Jack Chien is Chief Financial Officer.

ITEM 2. DESCRIPTION OF PROPERTY

The office is located at 7280 W. Palmetto Park Road, Suite 306, Boca Raton, Florida 33433. The telephone number at this address is (561) 750-1100. This location will significantly reduce the duplicity of handling and its related costs as well as reduce overhead. It will also simplify inventory controls.

ITEM 3. LEGAL PROCEEDINGS

During May 2003 Global Healthcare Laboratories, Inc. (Global) made a claim against the Company for breach of contract under a master license agreement. Management contended that Global committed fraud and multiple breaches of the master license agreement and that the claim was without merit. The matter was re-filed for the third time by the plaintiffs after two prior dismissals by the Federal courts for failure to state a cause of action. On August 31, 2004 a verdict was rendered in favor of the plaintiffs and they were awarded a judgment

in the sum of $2,501,191. The Company initially intended to appeal the verdict, however on December 3, 2004, the Company and Global settled the matter as follows:

The Company would make cash payments to Global aggregating $200,000 through March 1, 2005, and would issue to Global an aggregate of 400,000 shares of common stock. The shares to be issued were valued at their fair market value of $1,120,000. The Company has recorded an accrual of $200,000 for the cash payments due and a stock subscription of $1,120,000 for the common shares issuable at September 30, 2004, and charged $1,320,000 to operations for the settlement during the year ended September 30, 2004. The Company has agreed to file a registration statement covering an aggregate of 510,000 shares of common stock on or before January 15, 2005, and should it not due so an additional 25,000 shares of common stock would be due to Global. Global will be required to execute proxies giving the voting rights of the shares issuable to an officer of the Company.

A dispute between the parties arose and the settlement agreement was set aside by the Court. Through September 30, 2005, the Company made payments to Global aggregating $75,000. At September 30, 2005, the Company has recorded an accrual amounting $2,426,191 (the original judgment of $2,501,191 less the payments made of $75,000) plus post judgment interest at 7% of $169,800. During the year ended September 30, 2005, the Company charged $1,181,191 to operations for the difference between the settlement recorded during 2004 and the total judgment awarded. The Company is currently attempting to negotiate a new settlement agreement with Global. In addition, the Company issued 400,000 shares of its common stock which were held by the Company pending issuance to Global. These shares were cancelled when the settlement was set aside.

During the period ended June 30, 2006, the Company recorded an additional $43,770 of post judgment interest.
During April 2006 the Company settled the litigation by agreeing to the following:

* A cash payment of $300,000
* 29 monthly payments of $31,667
* The issuance of 15,000,000 common shares subject to registration rights.

The holders of the shares shall have the right beginning on the effective date of the registration statement for a period of two years to require the Company at the Company's discretion to sell the shares back to the Company for $200,000 or require the Company to issue additional shares so that the value of the shares held by the holders is $200,000.

As a result of the settlement the Company's obligation related to the litigation was reduced by $782,848 which has been recorded as a gain on the settlement date.

During April 2007 the Company issued an additional 33,293,269 shares of common stock in settlement of all common shares due under the agreement including the right to have the Company repurchase the 15,000,000 shares.

The Company has made timely payments on its obligations and has 8 payments of $31,667 left to liquidate this entire obligation. In April 2008 the plaintiff will file a satisfaction of judgment , as long as the payments are current. The company expects that it will liquidate the entire amount by August 31st, 2008.

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

NONE

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

As of September 30, 2007, there were approximately 2114 Common Stock shareholders consisting of both registered shareholders and those being held by the Deposit Trust Corporation in street name. Of the 1,271,098,028 shares outstanding, 25,865,761 were restricted and 1,245,232,267 were non-restricted.

As of December 29th, 2007,the latest date pre-filing of this report the Company, as a result of additional stock issuances and option exercises, has 2,325,632,936 shares outstanding 25,841,971 are restricted and 2,299,790,965 are non-restricted. The Company's Common Stock is traded on the NASD OTC Bulletin Board under the symbol "MGEN.OB".Shares first began trading on the OTC Bulletin Board in May of 2000 (prior to May 2000, the Company's Common Stock was traded in the Pink Sheets).

The following table sets forth the high and low bid prices by month for the Company's Common Stock for fiscal years 2003 thru 2006. The following high and low bid prices reflect inter-dealer prices without retail markup, markdown or commission, and may not represent actual transactions.

Common Stock: Historical Price Data

Fiscal 2003- 2006			High	Low
October*	2003		1.437	1.1875
November	2003		2.15	1.25
December	2003	(end first quarter)	1.80	0.95
January	2004		1.19	0.44
February	2004		0.90	0.40
March	2004	(end second quarter)	1.15	0.75
April	2004		1.312	0.62
May	2004		1.18	0.75
June	2004	(end third quarter)	1.43	0.55
July	2004		0.535	0.34
August	2004		0.70	0.012
September	2004		0.224	0.065
October	2004		0.225	0.102
November	2004		0.168	0.115
December	2004	(end first quarter)	0.178	0.07
January	2005		0.85	0.65
February	2005		0.89	0.45
March	2005	(end second quarter)	0.68	0.45
April	2005		0.118	0.50
May	2005		0.70	0.45
June	2005	(end third quarter)	0.06	0.032
July	2005		0.044	0.035
August	2005		0.057	0.016
September**	2005		0.42	0.061
October	2005		0.061	0.035
November	2005		0.055	0.027
December	2005	(end first quarter)	0.036	0.0008

January	2006		0.030	0.0009
February	2006		0.025	0.0009
March	2006	(end second quarter)	0.057	0.010
April	2006		0.039	0.022
May	2006		0.032	0.012
June	2006	(end third quarter)	0.051	0.011
July	2006		0.028	0.010
August	2006		0.013	0.005
September	2006		0.025	0.005
October	2006		0.008	0.006
November	2006		0.006	0.005
December	2006	(end first quarter)	0.009	0.004
January	2007		0.006	0.004
February	2007		0.005	0.004
March	2007	(end second quarter)	0.005	0.004
April	2007		0.004	0.003
May	2007		0.003	0.002
June	2007	(end third quarter)	0.002	0.001
July	2007		0.002	0.001
August	2007		0.001	0.0007
September	2007		0.0007	0.0005

* In February, 2003 the company completed an 80:1 Reverse stock split and in November, 2003 the company issued a stock dividend of 4:1. As a result of those splits, the symbol was changed to MDGN.

* Starting in February 2003, this table represents the common stock taking into consideration the above two events.

** Starting in September 2005 the Company completed a 20:1 Reverse split. As a result the symbol was changed to MGEN

On September 30, 2007, the bid price of MDGN shares was $0.0005 and the asked price was $0.0006

The Transfer agent for the Company's Common Stock is Continental Stock Transfer and Trust Company,17 Battery Place, NYC, NY 10004. The telephone number is (212)509-4000.

Item 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

The following discussion of our financial condition and our subsidiaries and our results of operations should be read together with the consolidated financial statements and related notes that are included later in this Annual Report on Form 10- KSB. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under Risk Factors or in other parts of this Annual Report on Form 10-KSB.

Twelve months ended September 30, 2007
Compared with twelve months ended September 30, 2006

GENERAL

The Company is headquartered at 7280 West Palmetto Park Road, Suite 306 Boca Raton, Florida 33433, since November 1, 2007. From 1999 to October 31, 2007 the company occupied space at 7284 W. Palmetto Park Rd. in the same complex. The move was necessary to accommodate new hires and expanding business.

It leases a 4000 square foot facility. The company, under special protective contracts, has elected to outsource the manufacturing of all of its products at this time.

Results of Operations

For the twelve months ended September 30, 2007, net sales increased 651.83% to $1,765,160 from $270,801 in the prior fiscal year. The increase in sales was due primarily to one factor: The Company opened a financial services division which accounted for $1,616,970 of the sales.

Gross profit for the twelve months ended September 30, 2007 was $1,173,292 versus $(27,359) for the same period a year ago. This increase relates to a substantial increase in total sales volume for the fiscal year. Gross profit margins for the years 2007 were 66.46% and 2006 were 0% respectively. The Company had lower cost of sales which is directly attributable to the substantial increase in revenue volume over the last twelve months of operations in fiscal 2007. The financial services revenue has a much lower cost associated with its revenue than product revenue sales.

For the twelve-month period ended September 30, 2007 operating expenses were $3,824,495 as compared to $2,982,931 an increase of 22.01% from the prior fiscal year.

The increase is due to the Non-cash stock compensation of $1,478,800, as compared to $753,920 in fiscal 2005.

Excluding these expenses in fiscal 2007 the SG&A was $2,345,695 as compared to $2,229,011 in fiscal 2006. This represents an actual increase of 4.98%. Management hired two new employees and several consultants in fiscal 2007 to develop and revise its internet and direct to consumer marketing programs. These factors contributed to a small increase in the selling, general and administrative expenses.

The operating loss decreased to $(2,651,203) as opposed to a loss of $(3,010,290) for the same twelve months period, in the prior year.

For the twelve-month periods interest expense decreased to $586,734 from $720,521 primarily as a result of a derivative adjustment. The Company owes its lender approximately $5,700,000 at an 8% coupon rate as of September 30, 2007. This figure includes the gross conversions made by the lender through the date of the filing, approximately $1,540,000).

Derivative losses aggregated $12,256,452 in 2007 as compared to $4,974,603 in 2006.

During 2006 the Company recorded $782,848 gain on the settlement of debt.

For the twelve months ended September 30, 2007, the Company reported a loss of $15,465,777($0.03 per share) versus a loss of $7,906,737

($0.10 per share) for the same fiscal period, a year ago.

Liquidity and Capital Resources

Net cash used in operating activities was $1,758,999 during the twelve months ended September 30, 2007 as compared to $2,841,831 in the year earlier. This decrease is attributed principally to a combination of a higher loss in 2007 offset by an increase in derivatives. The Company intends to attempt to lower monthly cash outlays in fiscal 2008 and conserve cash until additional financing is secured. The net loss for the year was $15,465,777 compared to $7,906,737 a year ago.

Net cash used in investing activities was $(15,600) during the twelve months ended September 30, 2007 as compared to $19,845 in 2006.

Net cash provided by financing activities was $1,675,000 during the twelve months ended September 30, 2007, compared to $3,450,000 in 2006, which consisted of proceeds from convertible debentures.

The Company intends to seek additional funding in 2008 through the sale of Common stock in order to continue its airing of commercials. The Company, however hopes that it can generate enough capital from its airings to be self supporting and eventually liquidate its debt without further share dilution. We have continued to cut costs by eliminating staff, and eliminating one-time legal and computer and Internet related costs. Since the loss of the major retail accounts the Company has revitalized its direct sales programs via its Internet site to the public consumer. The Company's volume via this medium has decreased over the last fiscal year and management is exploring various ways to drive the consumer to the website.

At present the Company has sufficient cash resources, receivables and cash flow to provide for all general corporate operations for approximately six months. The Company could be required to raise additional capital in order to continue to market its products during fiscal 2008.

Going Concern

The Company's financial statements are presented on a going Concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

The Company has experienced a significant loss from operations including the settlement of certain litigation. For the years ended September 30, 2007 and 2006, the Company incurred net losses of $15,465,777 and $7,906,737.

The Company's ability to continue as a going concern is contingent upon its ability to secure additional financing, increase ownership equity and attain profitable operations. In addition,the Company's ability to continue as a going concern must be considered in light of the problems, expenses and Complications frequently encountered in established markets and the competitive environment in which the Company operates.

The Company is pursuing financing for its operations and seeking additional investments. In addition, the Company is seeking to expand its revenue base by adding new customers and increasing its advertising and is attempting to settle certain litigation. Failure to

secure such financing, to raise additional equity capital, settle the litigation and to expand its revenue base may result in the Company depleting its available funds and not being able pay its obligations.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

CRITICAL ACCOUNTING POLICIES

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States, and make estimates and assumptions that affect our reported amounts of assets, liabilities, revenue and expenses, and the related disclosures of contingent liabilities. We base our estimates on historical experience and other assumptions that we believe are reasonable in the circumstances. Actual results may differ from these estimates.

The following critical accounting policies affect our more significant estimates and assumptions used in preparing our consolidated financial statements.

Revenue Recognition

In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered or product delivery has occurred; the sales price to the customer is fixed or determinable, and collect ability is reasonably assured. The following policies reflect specific criteria for the various revenues streams of the Company:

Revenue is recognized at the time the product is delivered. Provision for sales returns will be estimated based on the Company's historical return experience. Revenue is presented net of returns.

Revenue from consulting services is recognized over the term of the agreement as services are performed.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees for services based on the fair value of the equity instruments issued and accounts for equity instruments issued to other than employees based on the fair value of the consideration received or the fair value of the equity instruments, whichever is more reliably measurable.

The Company accounts for stock based compensation in accordance with SFAS 123, "Accounting for Stock-Based Compensation." The provisions of SFAS 123 allow companies to either expense the estimated fair value of stock options or to continue to follow the intrinsic value method set forth in APB Opinion 25, "Accounting for Stock Issued to Employees" (APB 25) but disclose the pro forma effects on net income (loss) had the fair value of the options been expensed. The Company has elected to continue to apply APB 25 in accounting for its stock option incentive plans.

In December 2004, the FASB issued SFAS 123R "Share-Based Payment". This Statement requires that the cost resulting from all share-based transactions be recorded in the financial statements. The Statement establishes fair value as the measurement objective in accounting for share-based payment arrangements and requires all entities to apply a fair-value-based measurement in accounting for share-based payment transactions with employees. The Statement also establishes fair value as the measurement objective for transactions in which an entity

acquires goods or services from non-employees in share-based payment transactions. The Statement replaces SFAS 123 "Accounting for Stock- Based Compensation" and supersedes APB Opinion No. 25 "Accounting for Stock Issued to Employees". The provisions of this Statement became effective during the fiscal year ended September 30, 2006

Derivative Instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks.

The Company reviews the terms of convertible debt and equity instruments issued to determine whether there are embedded derivative instruments, including the embedded conversion option, that are required to be bifurcated and accounted for separately as a derivative financial instrument. In circumstances where the convertible instrument contains more than one embedded derivative instrument, including the conversion option, that is required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument. Also, in connection with the sale of convertible debt and equity instruments, the Company may issue freestanding options or warrants. When the ability to physical or net-share settle the conversion option or the exercise of the freestanding options or warrants is deemed to be not within the control of the company, the embedded conversion option or freestanding options or warrants may be required to be accounted for as a derivative financial instrument liability.

The Company may also issue options or warrants to non-employees in connection with consulting or other services they provide.

Certain instruments, including convertible debt and equity instruments and the freestanding options and warrants issued in connection with those convertible instruments, may be subject to registration rights agreements, which impose penalties for failure to register the underlying common stock by a defined date.

Derivative financial instruments are initially measured at their fair value. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For option-based derivative financial instruments, the Company uses the Black-Scholes option pricing model to value the derivative instruments.

If freestanding options or warrants were issued in connection with the issuance of convertible debt or equity instruments and will be accounted for as derivative instrument liabilities (rather than as equity), the total proceeds received are first allocated to the fair value of those freestanding instruments. If the freestanding options or warrants are to be accounted for as equity instruments, the proceeds are allocated between the convertible instrument and those derivative equity instruments, based on their relative fair values. When the convertible debt or equity instruments contain embedded derivative instruments that are to be bifurcated and accounted for as liabilities, the total proceeds allocated to the convertible host instruments are first allocated to the fair value of all the bifurcated derivative instruments. The remaining proceeds, if any, are then allocated to the convertible instruments themselves, usually resulting in those instruments being recorded at a discount from their face amount.

To the extent that the fair values of the freestanding and/or bifurcated derivative instrument liabilities exceed the total proceeds received, an immediate charge to income is recognized, in order to initially record the derivative instrument liabilities at their fair value.

The discount from the face value of the convertible debt, together with the stated interest on the instrument, is amortized over the life of the instrument through periodic charges to income, usually using the effective interest method.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed periodically, including at the end of each reporting period. If re- classification is required, the fair value of the derivative instrument, as of the determination date, is re-classified. Any previous charges or credits to income for changes in the fair value of the derivative instrument are not reversed. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within twelve months of the balance sheet date.

Recently Issued Accounting Pronouncements

Recently issued accounting pronouncements and their effect on us are discussed in the notes to the financial statements in our September 30, 2007 audited financial statements.

ITEM 7. FINANCIAL STATEMENTS

End of report

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS

None

Item 8A. CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Exchange Acts reports is recorded, processed and summarized and is reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure control procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As of the date of this report, the Company's management, including the President (principal executive officer) and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Our management, including our Chief Executive Officer and Chief Financial Officer assessed the effectiveness of our disclosure controls and procedures, as such terms are defined under rules 13a-15(e) and 15d-15(e) promulgated under Securities Exchange Act of 1934, as amended. Based on this assessment, our management concluded that our disclosure controls and procedures were effective as of the end period covered by this annual report. There have been no significant changes in the Company's internal controls or in other factors, which could significantly affect internal controls subsequent to the date the Company's management carried out its evaluation.

Item 8B. Other Information

The Company is seeking additional funding of approximately $1,000,000 dollars to continue its business plan of operations. This may include borrowing additional capital from its lender under similar terms and conditions as prior loan agreements and or authorizing a reverse or forward split in the second quarter of 2008.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, AND CONTROL PERSONS

Name	Age	Position
Paul B. Kravitz	76	Chairman; Chief Executive Officer Secretary and Director
Paul S. Mitchell	55	President, Treasurer, Chief Operating Officer and Director

All directors hold office until the next annual meeting of stockholders and the election and qualification of their successors. In 2006 at the Annual shareholders meeting the shareholders elected the Board of Directors for a five year term. Officers were elected for the same term and, subject to existing employment and consulting contracts and agreements, serve at the discretion of the Board. The Company intends to conduct an annual shareholders meeting in accordance with Nevada state law at its principal office location at 7280 West Palmetto Park Road,Suite 306, Boca Raton, Florida.

Paul B. Kravitz (76) is Chairman and Chief Executive Officer. He has been a member of the Board of Directors since company inception. Prior to founding Med Gen and its principal product SNORenz[R], Mr. Kravitz was the President and CEO of a public company (AppleTree Companies, Inc.) engaged in the manufacture and distribution of food supplies to convenience stores in 24 states. Annual Sales exceeded $38 million. Mr. Kravitz retired from that company in 1996.

From 1986 until 1992, Mr. Kravitz was the CEO and principal shareholder of The Landon Group, a financial services company. In 1990/1991, Mr. Kravitz was appointed Chairman of the Southeast Bank's Leasing Division, an appointment made by the Federal Deposit Insurance Corporation which was in the process of liquidating that bank. From 1960 until the mid-1980's, Mr. Kravitz was the CEO of several furniture companies whose operations encompassed manufacturing of and marketing to retail showrooms nationwide. The furniture companies were taken public in 1979 and had reached combined sales in excess of $450,000,000.

Mr. Kravitz is a graduate of Boston University with a BS Degree. He is a published writer for the aviation industry, food industry and the natural supplement industry. He has appeared on national television, in infomercials for SNORenz[R] and Med Gen. Mr. Kravitz is a veteran of the Korean War and served honorably as an officer in the United States Air Force. Mr. Kravitz was honorably discharged receiving the Distinguished Service Medal for his military service during the Korean War. In 1955 he was retired from active duty and placed on Reserve. In 1972 he was retired as a permanent 1st Lt. USAFR after 20 years of service to his country.

Paul S. Mitchell (54) is the President and Chief Operation Officer. He has also been a Director of the Company since 1997. In 1995, Mr. Mitchell sold his food services company (the Sandwich Makers) to AppleTree, becoming that company's Chief Operating Officer. From $135,000 in sales in 1987, sales had increased to almost $5 million by the time it was sold to AppleTree. Prior to 1987, Mr. Mitchell worked for Tasty Baking Company based in Pennsylvania, and for whom he held several positions nationwide.

ITEM 10. EXECUTIVE COMPENSATION

The following table shows that for the fiscal years ended September 30, 2005, September 30, 2006 and September 30, 2007 the cash and other compensation paid to each of the executive officers and directors of the Company.

Annual Compensation

Name and Position Held	Year	Salary	Bonus	Other Compensation	Awards Restricted Stock	Other Stock Awards
Paul B. Kravitz,	2007	$60,750	-0-	50,000,000 *	-0-	-0-
Chairman & CEO	2006	$33,000	-0-	Options	10,000,000	175,000
Director	2005	$65,000	-0-	Options	-0-	-0-
Paul S. Mitchell	2007	$60,750	-0-	50,000,000 *	-0-	-0-
President & COO,	2006	$33,000	-0-	Options	-0-	175,000
Director	2005	$65,000	-0-	Options	-0-	-0-

* Both Officers were awarded 50,000,000 options exercisable at $.004 cents per Share for a 5 year period.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(1)	(2)	(3)	(4)
Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class
Common Stock	Paul B. Kravitz C/O Med Gen Inc 7280 W. Palmetto Pk Rd Boca Raton, FL 33433	10,178,997	.007%
Common Stock	Paul S. Mitchell C/O Med Gen Inc 7280 W. Palmetto Pk Rd Boca Raton, FL 33433	-0-	0%
	Directors and Executive Officers as a group (2 persons)	10,178,997	.007%

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

During the past three years there have been no transactions to which the Company was a party with the following persons who had or would have direct or indirect material interest in the transaction:

Any director or executive officer of the company.

Any nominee for the election as a director, any security holder or any immediate family member of a director, executive officer or affiliate of the Company.

ITEM 13. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8K

(a) Exhibits

EXHIBIT NUMBER	DESCRIPTION
31	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002(1)
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002(1)
(1)	Filed as an exhibit to this Annual Report on Form 10-KSB
(b)	The following documents are filed as part of the report:
1.	Financial statements Independent Auditors Report Balance Sheet Statements Of Operations Statement of Stockholders' (Deficit) Statements of Cash Flows Notes to Financial Statements
(c)	Reports on Form 8K: The Company filed Form 8K on 01-31-2007, 04-23-2007, 06-25-2007, 08-09-2007 and 10-02-2007

The Registrant will send its annual report to security holders and proxy solicitation material, when required, subsequent to the filing of this form and shall furnish copies of both to the Commission when they are sent to security holders.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

(a) Audit Fees

Total audit fees billed for professional services rendered by our principal accountant for the audit of our annual financial statements and review of financial statements included in our Form 10-KSB will total approximately $32,000 for 2007 and 2006.

(b) Audit-Related Fees

During fiscal 2007 we were not required to incur any additional audit- related fees in preparation of our financial statements or otherwise.

(c) Tax Fees

We do not engage our principal accountant to assist with the preparation or review of our annual tax filings. We do, however, engage an outside tax consultant to provide this service. In fiscal 2007 we will pay $1,500.

(d) All Other Fees

During fiscal 2007 we did not incur any other fees other than assurance and tax consulting fees disclosed in items 14 (a) and 14 (c)

(e) Audit Committees Pre-approval Policy

The audit committee pre-approval policies include annually approving the principal accountants and a detailed review and discussion of the principal accountants current year audit engagement letter and fees estimate.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

MED GEN, INC.

Date: December 29, 2007

By: /s/ Paul B. Kravitz
Paul B. Kravitz,
Chairman and CEO

Med Gen, Inc. Balance Sheet September 30, 2007

ASSETS

Current Assets	
Cash and cash equivalents	$ 1,250,009
Accounts receivable, net of reserve of $15,196	8,309
Inventory	121,900
Other current assets	6,138
Total Current Assets	1,386,356
Property and Equipment, net	30,191
Other Assets	
Deferred financing fees	110,103
Deposits and other	45,089
	$ 1,571,739
LIABILITIES AND STOCKHOLDERS' (DEFICIT)	
Current Liabilities	
Accounts payable and accrued expenses	$ 65,896
Accrued registrations penalties	1,823,381
Accrued interest	396,262
Derivative financial instruments	13,821,497
Convertible debentures	5,678,159
Accrued litigation judgment	306,676
Total Current Liabilities	22,091,871
Stockholders' (deficit)	
Preferred stock, $.001 par value, 5,000,000 shares authorized:	
Series A 8% cumulative, convertible, 1,500,000 shares authorized, no shares issued and outstanding	-
Undesignated, 3,500,000 shares authorized	-
Common stock, $.001 par value, 2,495,000,000 shares authorized, 1,271,098,028 shares issued and outstanding	1,271,098
Paid in capital	28,001,047
Accumulated (deficit)	(49,792,277)
	(20,520,132)
	$ 1,571,739

See accompanying notes to the financial statements.

Med Gen, Inc.
Statements of Operations
For the Years Ended September 30, 2006 and 2007

	2006	2007
Revenue:		
Net product sales	$ 270,801	$ 148,190
Consulting revenue	-	1,616,970
	270,801	1,765,160
Cost of sales:		
Product sales	298,160	166,505
Consulting	-	425,363
	298,160	591,868
Gross profit (loss)	(27,359)	1,173,292
Operating expenses:		
Selling, general and administrative expenses - non cash stock compensation - not included in selling, general and administrative expenses below	753,920	1,478,800
Selling, general and administrative expenses	2,229,011	2,345,695
	2,982,931	3,824,495
(Loss) from operations	(3,010,290)	(2,651,203)
Other (income) expense:		
Derivative instrument expense	4,974,603	12,256,452
Gain on the settlement of debt	(782,848)	-
Interest income	(15,829)	(28,612)
Interest expense	720,521	586,734
	4,896,447	12,814,574
Net (loss)	$(7,906,737)	$ (15,465,777)
Per share information - basic and fully diluted:		
Weighted average shares outstanding	78,935,487	564,404,647
Net (loss) per share	$ (0.10)	$ (0.03)

See accompanying notes to the financial statements.

Med Gen, Inc.
Statement of Stockholders' (Deficit)
For the Years Ended September 30, 2006 and 2007

	Common Stock		Additional	Receivable for Common	Accumulated	
	Shares	Amount	Paid in Capital	Stock	(Deficit)	Total
Balance September 30, 2005	3,278,590	$ 3,279	$ 24,340,732	$ (35,000)	$ (26,419,763)	$ (2,110,752)
Conversion of convertible debentures including embedded derivative instruments	163,590,694	163,591	1,814,406	-	-	1,977,997
Common stock issued for services	50,380,000	50,380	668,890	-	-	719,270
Common shares issued for the settlement of litigation	15,000,000	15,000	420,000	-	-	435,000
Reduction of option exercise price	-	-	-	34,650	-	34,650
Cash payment for options	-	-	-	350	-	350
Cancellation of common shares related to litigation	(400,000)	(400)	400	-	-	-
Net (loss)	-	-	-	-	(7,906,737)	(7,906,737)
Balance September 30, 2006	231,849,284	231,850	27,244,428	-	(34,326,500)	(6,850,222)
Common stock issued for services	421,200,000	421,200	857,600	-	-	1,278,800
Common shares issued for the settlement of litigation	33,293,269	33,293	105,207	-	-	138,500
Conversion of convertible debentures including embedded derivative instruments	584,755,475	584,755	(406,188)	-	-	178,567
Value of options issued	-	-	200,000	-	-	200,000
Net (loss)	-	-	-	-	(15,465,777)	(15,465,777)
Balance September 30, 2007	1,271,098,028	$1,271,098	$ 28,001,047	$ -	$ (49,792,277)	$(20,520,132)

See accompanying notes to the financial statements.

Med Gen, Inc.
Statements of Cash Flows
For the Years Ended September 30, 2006 and 2007

	2006	2007
Cash flows from operating activities:		
Net (loss)	$ (7,906,737)	$(15,465,777)
Adjustments to reconcile net (loss) to net cash (used in) operating activities:		
Depreciation and amortization	21,320	21,933
Derivative classification of convertible debentures	5,232,693	10,888,626
Common shares and options issued for services	719,270	1,478,800
Gain on the settlement of accrued litigation	(782,848)	-
Amortization of deferred loan costs	-	55,852
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable	(1,409)	39,461
(Increase) decrease in inventory	42,692	(35,391)
Decrease in other current assets	-	(438)
(Increase) decrease in deposits and other	(141,959)	149,605
Increase in accounts payable and accrued expenses	496,814	1,488,330
(Decrease) in accrued litigation judgement	(521,667)	(380,000)
Net cash (used in) operating activities	(2,841,831)	(1,758,999)
Cash flows from investing activities:		
Acquisition of property and equipment	(19,845)	(15,600)
Net cash (used in) investing activities	(19,845)	(15,600)
Cash flows from financing activities:		
Proceeds from convertible debentures	3,450,000	1,675,000
Proceeds from option exercises - related parties	350	-
Net cash provided by financing activities	3,450,350	1,675,000
Net increase (decrease) in cash	588,674	(99,599)
Beginning - cash balance	760,934	1,349,608
Ending - cash balance	$ 1,349,608	$ 1,250,009
Supplemental cash flow information:		
Cash paid for income taxes	$ -	$ -
Cash paid for interest	$ -	
Non cash investing and financing activities:		
Common shares issued for accrued litigation	$ 435,000	$ 138,500
Conversion of notes payable to common stock	$ 1,082,236	$ 307,281

See accompanying notes to the financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Stockholders and Board of Directors
Med Gen, Inc.

We have audited the accompanying balance sheet of Med Gen, Inc. as of September 30, 2007, and the related statements of operations, stockholders' (deficit) and cash flows for the years ended September 30, 2006 and 2007. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Med Gen, Inc. as of September 30, 2007, and results of its operations and its cash flows for the years ended September 30, 2006 and 2007, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has incurred significant losses from operations and has working capital and stockholder deficiencies. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to this matter are also discussed in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Stark Winter Schenkein & Co., LLP

/s/Stark Winter Schenkein & Co., LLP

Denver, Colorado
December 27, 2007

Med Gen, Inc.

Notes to Financial Statements September 30, 2007

Note 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Med Gen, Inc. the (Company) was incorporated October 22, 1996, under the laws of the State of Nevada and began operations in the State of Florida on November 12, 1996. The Company currently markets an all natural product, SNORENZ, which is designed to aid in the prevention of snoring. The Company also plans to offer additional products dealing with alternative nutritionals as well as other health related items.

Reclassifications

Certain items presented in the previous year's financial statements have been reclassified to conform to current year presentation.

Revenue Recognition

In general, the Company records revenue when persuasive evidence of an arrangement exists, services have been rendered or product delivery has occurred, the sales price to the customer is fixed or determinable, and collectability is reasonably assured. The following policies reflect specific criteria for the various revenues streams of the Company:

Revenue is recognized at the time the product is delivered. Provision for sales returns will be estimated based on the Company's historical return experience. Revenue is presented net of returns.

Revenue from consulting services is recognized over the term of the agreement as services are performed.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. At September 30, 2007, the Company's cash on deposit at 3 financial institutions exceeded the federally insured limits by $960,946.

Inventory

Inventory is stated at the lower of cost, determined on the first-in, first-out method, or net realizable market value. Inventory at September 30, 2007, consisted of finished goods and packaging materials.

Property and Equipment

Property and equipment is recorded at cost. Expenditures for major improvements and additions are added to the property and equipment accounts while replacements, maintenance and repairs, which do not extend the life of the assets, are expensed.

Accounts Receivable

Accounts receivable are stated at estimated net realizable value. Accounts receivable are comprised of balances due from customers net of estimated allowances for uncollectible accounts. In determining

collectability, historical trends are evaluated and specific customer issues are reviewed to arrive at appropriate allowances. Accounts receivable are stated net of an allowance of $15,196.

The Company's standard credit terms are net 30 days. In certain limited instances and in conjunction with initial orders by large established retailers the Company will extend credit terms to 90 to 120 days.

Depreciation and Amortization

Depreciation and amortization are computed by using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are summarized as follows:

Furniture and fixtures	7 years
Office and computer equipment	5 years
Computer software	3 years
Leasehold improvements	5 years

Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of September 30, 2007. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash, accounts receivable, accounts payable and accrued expenses. Fair values were assumed to approximate carrying values for these financial instruments because they are short term in nature and their carrying amounts approximate fair values. The carrying value of the Company's long-term debt approximated its fair value based on the current market conditions for similar debt instruments.

Long Lived Assets

The carrying value of long-lived assets is reviewed on a regular basis for the existence of facts and circumstances that suggest impairment. To date, no material impairment has been indicated. Should there be an impairment, in the future, the Company will measure the amount of the impairment based on the amount that the carrying value of the impaired assets exceed the undiscounted cash flows expected to result from the use and eventual disposal of the from the impaired assets.

Net Income (Loss) Per Common Share

The Company calculates net income (loss) per share as required by Statement of Financial Accounting Standards (SFAS) 128, "Earnings per Share." Basic earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted earnings (loss) per share is calculated by dividing net income (loss) by the weighted average number of common shares and dilutive common stock equivalents outstanding. During periods in which the Company incurs losses common stock equivalents, if any, are not considered, as their effect would be anti dilutive.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

In addition, the determination and valuation of derivative financial instruments is a significant estimate.

Advertising Costs

Advertising costs are charged to expense as incurred. Advertising costs charged to expense included in selling, general and administrative expenses, amounted to $511,368 and $1,408,455 for the years ended September 30, 2006, and 2007.

Segment Information

The Company follows SFAS 131, Disclosures about "Segments of an Enterprise and Related Information." Certain information is disclosed, per SFAS 131, based on the way management organizes financial information for making operating decisions and assessing performance.

Income Taxes

The Company follows SFAS 109 "Accounting for Income Taxes" for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change.

Stock-Based Compensation

The Company accounts for equity instruments issued to employees for services based on the fair value of the equity instruments issued and accounts for equity instruments issued to other than employees based on the fair value of the consideration received or the fair value of the equity instruments, whichever is more reliably measurable.

The Company accounts for stock based compensation in accordance with SFAS 123, "Accounting for Stock-Based Compensation." The provisions of SFAS 123 allow companies to either expense the estimated fair value of stock options or to continue to follow the intrinsic value method set forth in APB Opinion 25, "Accounting for Stock Issued to Employees"
(APB 25) but disclose the pro forma effects on net income (loss)
had the fair value of the options been expensed. The Company has elected to continue to apply APB 25 in accounting for its stock incentive plans.

In December 2004, the FASB issued SFAS 123R "Share-Based Payment". This Statement requires that the cost resulting from all share-based transactions be recorded in the financial statements. The Statement establishes fair value as the measurement objective in accounting for share-based payment arrangements and requires all entities to apply a fair-value-based measurement in accounting for share-based payment transactions with employees. The Statement also establishes fair value as the measurement objective for transactions in which an entity acquires goods or services from non-employees in share-based payment transactions. The Statement replaces SFAS 123 "Accounting for Stock-Based Compensation" and supersedes APB Opinion No. 25 "Accounting for Stock Issued to Employees". The provisions of this Statement became effective during the fiscal year ended September 30, 2006.

Derivative financial instruments

The Company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks.

The Company reviews the terms of convertible debt and equity instruments issued to determine whether there are embedded derivative instruments, including the embedded conversion option, that are required to be bifurcated and accounted for separately as a derivative financial instrument. In circumstances where the convertible instrument contains more than one embedded derivative instrument, including the conversion option, that is required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument. Also, in connection with the sale of convertible debt and equity instruments, the Company may issue freestanding options or warrants. When the ability to physical or net-share settle the conversion option or the exercise of the freestanding options or warrants is deemed to be not within the control of the company, the embedded conversion option or freestanding options or warrants may be required to be accounted for as a derivative financial instrument liability.

The Company may also issue options or warrants to non-employees in connection with consulting or other services they provide.

Certain instruments, including convertible debt and equity instruments and the freestanding options and warrants issued in connection with those convertible instruments, may be subject to registration rights agreements, which impose penalties for failure to register the underlying common stock by a defined date.

Derivative financial instruments are initially measured at their fair value. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income. For option-based derivative financial instruments, the Company uses the Black-Scholes option pricing model to value the derivative instruments.

If freestanding options or warrants were issued in connection with the issuance of convertible debt or equity instruments and will be accounted for as derivative instrument liabilities (rather than as equity), the total proceeds received are first allocated to the fair value of those freestanding instruments. If the freestanding options or warrants are to be accounted for as equity instruments, the proceeds are allocated between the convertible instrument and those derivative equity instruments, based on their relative fair values. When the convertible debt or equity instruments contain embedded derivative instruments that are to be bifurcated and accounted for as liabilities, the total proceeds allocated to the convertible host instruments are first allocated to the fair value of all the bifurcated derivative instruments. The remaining proceeds, if any, are then allocated to the convertible instruments themselves, usually resulting in those instruments being recorded at a discount from their face amount.

To the extent that the fair values of the freestanding and/or bifurcated derivative instrument liabilities exceed the total proceeds received, an immediate charge to income is recognized, in order to initially record the derivative instrument liabilities at their fair value.

The discount from the face value of the convertible debt, together with the stated interest on the instrument, is amortized over the life of the instrument through periodic charges to income, usually using the effective interest method.

The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed periodically, including at the end of each reporting period. If re-classification is required, the fair value of the derivative instrument, as of the determination date, is re-classified. Any previous charges or credits to income for changes in the fair value of the derivative instrument are not reversed. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within twelve months of the balance sheet date.

Deferred Financing Fees

The Company amortizes fees associated with obtaining debt instruments over the term of the related debt using the effective interest method. Deferred financing fees aggregated $110,103 at September 30, 2007.

Recent Pronouncements

In September 2006, the FASB issued Statement No. 157, "Fair Value Measurements". This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and expands disclosure about fair value measurement. The implementation of this guidance is not expected to have any impact on the Company's financial statements.

In September 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 106, and 132(R)" ("SFAS No. 158"). SFAS No. 158 requires companies to recognize a net liability or asset and an offsetting adjustment to accumulated other comprehensive income to report the funded status of defined benefit pension and other postretirement benefit plans. SFAS No. 158 requires prospective application, recognition and disclosure requirements effective for the Company's fiscal year ending September 30, 2007. Additionally, SFAS No. 158 requires companies to measure plan assets and obligations at their year-end balance sheet date. This requirement is effective for the Company's fiscal year ending September 30, 2009. The Company is currently evaluating the impact of the adoption of SFAS No. 158 and does not expect that it will have a material impact on its financial statements.

In September 2006, the United States Securities and Exchange Commission ("SEC")SAB No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements." This SAB provides guidance on the consideration of the effects of prior year misstatements in quantifying current year misstatements for the purpose of a materiality assessment. SAB 108 establishes an approach that requires quantification of financial statement errors based on the effects of each of the company's balance sheet and statement of operations financial statements and the related financial statement disclosures. The SAB permits existing public companies to record the cumulative effect of initially applying this approach in the first year ending after November 15, 2006 by recording the necessary correcting adjustments to the carrying values of assets and liabilities as of the beginning of that year with the offsetting adjustment recorded to the opening balance of retained earnings. Additionally, the use of the cumulative effect transition method requires detailed disclosure of the nature and amount of each individual error being corrected through the cumulative adjustment and how and when it arose. The adoption has not had a material effect on the Company's results of operations or financial position.

In February 2007, the FASB issued Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities, including an amendment of FASB Statement No. 115 ("FAS 159"). FAS 159 permits companies to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value and establishes presentation and disclosure requirements designed to facilitate comparisons between companies that choose different measurement attributes for similar types of assets and liabilities. The provisions of FAS 159 will become effective as of the beginning of our 2009 fiscal year. The adoption of these new Statements is not expected to have a material effect on the Company's financial position, results of operations, or cash flows.

In December 2007, the FASB issued SFAS No. 141 (R) Business Combinations. SFAS 141R establishes principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree. SFAS 141R also provides guidance for recognizing and measuring the goodwill acquired in the business combination and determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. The guidance will become effective as of the beginning of the Company's fiscal year beginning after 15 December 2008. Management believes the adoption of this pronouncement will not have a material impact on the Company's financial statements.

In December 2007, the FASB issued SFAS No. 160 Noncontrolling Interests in Consolidated Financial Statements-an amendment of ARB No. 51. SFAS 160 establishes accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. The guidance will become effective as of the beginning of the Company's fiscal year beginning after December 15, 2008. Management believes the adoption of this pronouncement will not have a material impact on the Company's financial statements.

NOTE 2. BASIS OF REPORTING

The Company's financial statements are presented on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business.

The Company has experienced significant losses from operations . For the years ended September 30, 2006 and 2007, the Company incurred net losses of $7,906,737 and $15,465,777 and has working capital and stockholders' deficits of $20,705,515 and $20,520,132 at September 30, 2007.

The Company's ability to continue as a going concern is contingent upon its ability to secure additional financing, increase ownership equity, settle litigation and attain profitable operations. In addition, the Company's ability to continue as a going concern must be considered in light of the problems, expenses and complications frequently encountered in established markets and the competitive environment in which the Company operates.

The Company is pursuing financing for its operations and seeking additional investments. In addition, the Company is seeking to expand its revenue base by adding new customers and increasing its advertising. Failure to secure such financing or to raise additional equity capital and to expand its revenue base may result in the Company depleting its available funds and not being able pay its obligations.

The financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

NOTE 3. PROPERTY AND EQUIPMENT

Property and equipment at September 30, 2007, consisted of the following:

Furniture and office equipment	$ 94,378
Computer equipment and software	92,034
Leasehold improvements	7,657
	194,070
Accumulated depreciation and amortization	(163,879)
	$ 30,191

Depreciation and amortization expense for the years ended September 30, 2006, and 2007 was $21,320 and $21,933.

NOTE 4. CALLABLE SECURED CONVERTIBLE NOTES AND DERIVATIVE INSTRUMENT LIABILITIES

Between March 30, 2005 and September 30, 2007, the Company entered into a series of twelve Securities Purchase Agreements with four accredited investors ("Note Holders") for the sale of an aggregate of $7,190,000 of Callable Secured Convertible Notes (the "Convertible Notes") and warrants to purchase up to 73,240,000 shares of its common stock (the "Warrants").

The first eight tranches of the Convertible Notes bear interest at 8% and the last four tranches bear interest at 6%. All notes mature three years from the date of issuance. The Company is not required to make any principal payments during the term of the Convertible Notes.

Tranches one through eight of the Convertible Notes are convertible into shares of the Company's common stock at the Note Holders' option, at the lower of (i) a fixed price which, depending on the note, is between $0.04 and $0.09 per share or (ii) 50% of the average of the three lowest intra-day trading prices for the common stock as quoted on the Over-the-Counter Bulletin Board for the 20 trading days preceding the conversion date. In connection with the sale of the ninth tranche on January 30, 2007, the Company agreed to reduce the conversion price of tranches two to seven (tranche one had already been fully converted) from 60% to 50% of the average market price (computed as described above).

Tranches nine through twelve of the Convertible Notes, issued on January 30, 2007, February 9, 2007, June 21, 2007 and September 30, 2007, are convertible into shares of the Company's common stock at the Note Holders' option, at the lower of (i) a fixed price of $0.04 per share or (ii) 60% of the average trading price, computed as described above. As of September 30, 2007, that average was $0.0003, resulting in an effective conversion price as of September 30, 2007 of $0.00018 per share for tranches nine through twelve and $0.00015 per share for all previous tranches.

The full principal amount of the Convertible Notes is due upon the occurrence of an event of default, which include non-payment of principal and interest when due and failure to effect registration of the common shares underlying conversion of the Convertible Notes and exercise of the Warrants. The Company previously obtained waivers related to events of default but such waivers have expired and at September 30, 2007, the Convertible Notes are in default. No demand for payment has been received, or is currently expected to be received, from the Note Holders. At September 30, 2007, the Convertible Notes are carried at their face amount. The default premium that the Note Holders may demand, which in part is dependent on the Company's common stock

price, is recorded asa derivative instrument liability. If the Convertible Notes are not in default, the Company has the right to prepay the Convertible Notes under certain circumstances at a premium ranging from 25% to 50% of the principal amount, depending on the timing of such prepayment. The Company has granted the Note Holders a security interest in substantially all of the Company's assets.

The 73,240,000 warrants issued are exercisable for a period of five or seven years from the date of issuance and have exercise prices that range from $0.009 per share to $0.10 per share.

The conversion price of the Convertible Notes and the exercise price of the warrants will be adjusted in the event that the Company issues common stock at a price below the initial fixed conversion or exercise price, with the exception of any shares of common stock issued in connection with the Convertible Notes. The conversion price of the Convertible Notes and the exercise price of the warrants may also be adjusted in certain circumstances such as if the Company pays a stock dividend, subdivides or combines outstanding shares of common stock into a greater or lesser number of shares, or takes such other actions as would otherwise result in dilution of the Note Holders' position.

Pursuant to Registration Rights Agreements entered into with the Note Holders, the Company is obligated to register for resale, within defined time periods, the shares underlying the Warrants and the shares issuable on conversion of the Convertible Notes. The terms of the Registration Rights Agreements provide that, in the event that the required registration statements are not filed or do not become effective within the required time periods, the Company is required to pay to the Note Holders as liquidated damages, an amount equal to 2% per month of the principal amount of the Convertible Notes. This amount may be paid in cash or, at the Holder's option, in shares of common stock priced at the conversion price then in effect on the date of the payment. In connection with the sale of the ninth tranche on January 30, 2007, the Note Holders agreed to waive all penalties incurred through that date. The Company accrues any penalties incurred to date, together with an estimate of the penalties that may be incurred in the future, based on the Company's expectation of when registration statements will be filed and/or effective and when the shares obtained can be freely sold without registration under Rule 144.

Because the number of shares that may be required to be issued on conversion of the Convertible Notes is dependent on the price of the Company's common stock and is therefore indeterminate, the embedded conversion option of the Convertible Notes and the Warrants are accounted for as derivative instrument liabilities (see below) in accordance with EITF Issue 00-19, "Accounting for Derivative Financial Instruments Indexed To, and Potentially Settled In, a Company's Own Common Stock" (EITF 00-19). Accordingly, the initial fair values of the embedded conversion options and the Warrants were recorded as derivative instrument liabilities. For option-based derivative instruments, the Company estimates fair value using the Black-Scholes valuation model, based on the market price of the common stock on the valuation date, an expected dividend yield of 0%, a risk-free interest rate based on constant maturity rates published by the U.S. Federal Reserve applicable to the remaining term of the instruments, and an expected life equal to the remaining term of the instruments. Because of the limited historical trading period of our common stock, the expected volatility of our common stock over the remaining life of the conversion options and Warrants has been estimated at 50%. The Company is required to re-measure the fair value of these derivative instrument liabilities at each reporting period. At September 30, 2007, the Convertible Notes are in default and the derivative instrument liability reflects the default premium payable if the Note Holders were to demand payment at that date.

A summary of the Callable Secured Convertible Notes at September 30, 2007, is as follows:

Issue Date	Due Date	Face Amount	Principal Outstanding
03-30-2005	03-30-2008	$ 740,000	$ 0
05-25-2005	05-25-2008	700,000	0
08-23-2005	08-23-2008	100,000	28,159
08-26-2005	08-26-2008	500,000	500,000
10-31-2005	10-31-2008	600,000	600,000
02-23-2006	02-23-2009	600,000	600,000
04-21-2006	04-21-2009	750,000	750,000
08-10-2006	08-10-2009	1,500,000	1,500,000
01-30-2007	01-30-2010	350,000	350,000
02-09-2007	02-09-2010	350,000	350,000
06-21-2007	06-21-2010	650,000	650,000
09-30-2007	09-30-2010	350,000	350,000
		$7,190,000	$5,678,159

At September 30, 2007, the following derivative liabilities related to common stock Warrants and embedded derivative instruments were outstanding:

Issue Date	Expiry Date	Number of Warrants	Exercise Price Per Share	Value - Issue Date	Value - September 30, 2007
03-30-2005	03-30-2010	740,000	$0.085	$673,400	$ -
05-25-2005	05-25-2010	700,000	0.085	693,000	-
08-23-2005	08-23-2010	100,000	0.085	31,000	-
08-26-2005	08-26-2010	500,000	0.090	145,000	-
10-31-2005	10-31-2010	600,000	0.100	6,000	-
02-23-2006	02-23-2011	600,000	0.050	2,081	-
04-21-2006	04-21-2011	30,000,000	0.050	363,005	-
08-10-2006	08-10-2013	15,000,000	0.050	22,196	-
01-30-2007	01-30-2014	5,000,000	0.010	8,321	56
02-09-2007	02-09-2014	5,000,000	0.010	8,019	57
06-21-2007	06-21-2014	10,000,000	0.009	1,945	39
09-30-2007	09-30-2014	5,000,000	0.009	25	25
Fair value of freestanding derivative instrument liabilities for warrants					$177

Issue Date	Expiry Date	Principal Outstanding - Convertible Notes	Default Premium - September 30, 2007
08-23-2005	08-23-2008	26,857	82,867
08-26-2005	08-26-2008	500,000	1,455,893
10-31-2005	10-31-2008	500,000	1,736,758
02-23-2006	02-23-2009	600,000	1,690,104
04-21-2006	04-21-2009	750,000	2,085,641
08-10-2006	08-10-2009	1,500,000	4,084,483
01-30-2007	01-30-2010	350,000	623,341
02-09-2007	02-09-2010	350,000	615,362
06-21-2007	06-21-2010	650,000	968,971
09-30-2007	09-30-2010	350,000	477,900
			13,821,320
Fair value of bifurcated embedded derivative instrument liabilities associated with the convertible notes			
Total derivative financial instruments			$13,821,497

NOTE 5. INCOME TAXES

The Company accounts for income taxes under SFAS 109, which requires use of the liability method. SFAS 109 provides that deferred tax assets and liabilities are recorded based on the differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, referred to as temporary differences. Deferred tax assets and liabilities at the end of each period are determined using the currently enacted tax rates applied to taxable income in the periods in which the deferred tax assets and liabilities are expected to be settled or realized.

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate to income before provision for income taxes. The sources and tax effects of the differences are as follows:

Income tax provision at the federal statutory rate	34 %
Effect of operating losses	(34)%
	-

As of September 30, 2007, the Company has a net operating loss carryforward of approximately $11,000,000. This loss will be available to offset future taxable income. If not used, this carryforward will expire through 2027. The deferred tax asset of approximately $3,700,000 relating to the operating loss carryforward has been fully reserved at September 30, 2007. The increase in the valuation allowance related to the deferred tax asset was $300,000 during 2007. The principal difference between the accumulated deficit for income tax purposes and for financial reporting purposes results from non-cash stock compensation and derivative instrument expense being charged to operations for financial reporting purposes. The Company may be limited in its use of this operating loss carryforward due to changes in control.

NOTE 6. STOCKHOLDERS' (DEFICIT)

During the periods covered by these financial statements the Company issued shares of common stock and subordinated debentures without registration under the Securities Act of 1933. Although the Company believes that the sales did not involve a public offering of its securities and that the Company did comply with the "safe harbor" exemptions from registration, if such exemptions were found not to apply, this could have a material impact on the Company's financial position and results of operations. In addition, the Company issued shares of common stock pursuant to Form S-8 registration statements and pursuant to Regulation S. The Company believes that it complied with the requirements of Form S-8 and Regulation S in regard to these issuances, however if it were determined that the Company did not comply with these provisions this could have a material impact on the Company's financial position and results of operations.

During October 2005 the Company amended its Articles of Incorporation to authorize 5,000,000 shares of preferred stock $.001 par value and 495,000,000 shares of common stock $.001 par value. In June 2006 the Company amended its Articles of Incorporation to authorize 2,495,000,000 shares of common stock $.001 par value.

Common stock

The aggregate receivable for options issued to officers was $35,000 at September 30, 2005. During 2006 these options were repriced which resulted in a charge to operations of $34,650. The balance due of $350 was paid as of September 30, 2006.

At September 30, 2004, the Company recorded an aggregate of $1,120,000 related to 400,000 common shares issuable pursuant to the settlement of a lawsuit with Global. During the year ended September 30, 2005, the settlement agreement was set aside by the court and the $1,120,000 was reclassified to a liability. During 2006 these shares were cancelled.

During the year ended September 30, 2006, the holder of the debentures discussed in Note converted $1,082,236 of debt into 163,590,694 shares of the Company's common stock.

During the year ended September 30, 2007, the holder of the debentures discussed in Note converted $307,281 of debt into 584,755,475 shares of the Company's common stock.

During the year ended September 30, 2006, the Company issued 15,000,000 shares of common stock to settle litigation. These shares were valued at their fair market value of $435,000 which was charged against the balance of the settlement (see Note 7). Pursuant to the settlement agreement the

Company agreed to redeem these shares for $200,000, and the $200,000 was classified as a liability at September 30, 2006. During the year ended September 30, 2007, the Company issued an additional 33,293,569 shares of common stock with a fair value of $138,500 related to this litigation and the claimant agreed to accept the previously issued 15,000,000 shares with a value of $61,500 to cancel the redemption right.

During the year ended September 30, 2006, the Company issued 50,380,000 shares of common stock for services. These shares were valued at their fair market value of $719,270. Of these shares 10,000,000 shares valued at $120,000 were issued to an officer and 40,380,000 with a fair value of $599,270 were issued to Bran, Ltd., a foreign entity.

During the year ended September 30, 2007, the Company issued 421,200,000 shares of common stock for services. These shares were valued at their fair market value of $1,278,800 and were issued to Bran, Ltd., a foreign entity.

Stock-based Compensation

During the year ended September 30, 2007, the Company issued options to purchase 100,000,000 shares of common stock to certain officers at an exercise price of $.004 for a period of 5 years. Compensation costs charged to operations aggregated $200,000 for the year ended September 30, 2007.

A summary of stock option activity is as follows:

	Number of shares	Weighted average exercise price	Weighted average fair value
Balance at September 30, 2005 And 2006	9,197	$24.50	$24.50
Granted	100,000,000	$0.004	$0.004
Exercised/Expired	(9,197)	$24.50	$24.50
Balance at September 30, 2007	100,000,000	$0.004	$0.004

The following table summarizes information about fixed-price stock options at September 30, 2007:

	Outstanding			Exercisable	
Exercise Prices	Weighted Average Number Outstanding	Weighted Average Contractual Life	Weighted-Average Exercise Price	Number Exercisable	Exercise Price
$.0004	100,000,000	4.67	$0.004	100,000,000	$0.004

NOTE 7. COMMITMENTS AND CONTINGENCIES

The Company leases its office facilities under an operating lease commencing November 1, 2007, for gross monthly rent, including common area maintenance, of approximately $11,510. The office lease provides for certain annual adjustments in the base rent.

Future minimum lease payments under all non-cancelable operating leases for years ending subsequent to September 30, 2007 are as follows:

2008	$ 126,610
2009	138,120
2010	138,120
2011	138,120
2012	138,120
2013	11,510
	$ 690,600

Rent expense for the years ended September 30, 2006 and 2007 was $85,988 and $90,458.

Litigation

During May 2003 Global Healthcare Laboratories, Inc. (Global) made a claim against the Company for breach of contract under a master license agreement. Management contended that Global committed fraud and multiple breaches of the master license agreement and that the claim was without merit. The matter was re-filed for the third time by the plaintiffs after two prior dismissals by the Federal courts for failure to state a cause of action. On August 31, 2004 a verdict was rendered in favor of the plaintiffs and they were awarded a judgment in the sum of $2,501,191. The Company initially intended to appeal the verdict, however on December 3, 2004, the Company and Global settled the matter as follows:

The Company would make cash payments to Global aggregating $200,000 through March 1, 2005, and would issue to Global an aggregate of 400,000 shares of common stock. The shares to be issued were valued at their fair market value of $1,120,000. The Company has recorded an accrual of $200,000 for the cash payments due and a stock subscription of $1,120,000 for the common shares issuable at September 30, 2004, and charged $1,320,000 to operations for the settlement during the year ended September 30, 2004. The Company has agreed to file a registration statement covering an aggregate of 510,000 shares of common stock on or before January 15, 2005, and should it not due so an additional 25,000 shares of common stock would be due to Global. Global will be required to execute proxies giving the voting rights of the shares issuable to an officer of the Company.

A dispute between the parties arose and the settlement agreement was set aside by the Court. Through September 30, 2005, the Company made payments to Global aggregating $75,000. At September 30, 2005, the Company has recorded an accrual amounting $2,426,191 (the original judgment of $2,501,191 less the payments made of $75,000) plus post judgment interest at 7% of $169,800. During the year ended September 30, 2005, the Company charged $1,181,191 to operations for the difference between the settlement recorded during 2004 and the total judgment awarded. In addition, the Company issued 400,000 shares of its common stock which were held by the Company pending issuance to Global. These shares were cancelled when the settlement was set aside.

During the year ended September 30, 2006, the Company recorded an additional $43,770 of post judgment interest.

During April 2006 the Company settled the litigation by agreeing to the following:

A cash payment of $300,000
29 monthly payments of $31,667
The issuance of 15,000,000 common shares subject to registration rights

The holders of the shares shall have the right beginning on the effective date of the registration statement for a period of two years to require the Company at the Company's discretion to sell the shares back to the Company for $200,000 or require the Company to issue additional shares so that the value of the shares held by the holders is $200,000.

As a result of the settlement the Company's obligation related to the litigation was reduced by $782,848 which has been recorded as a gain on the settlement date.

During April 2007 the Company issued an additional 33,293,269 shares of common stock in settlement of all common shares due under the agreement including the right to have the Company repurchase the 15,000,000 shares.

NOTE 8. CONCENTRATIONS

During years ended September 30, 2006, the Company derived substantially all of its revenue from the sale of one product, SNORENZ. Credit is granted to their customers in the normal course of business. The Company has an exclusive contract with a single manufacturing company to produce SNORENZ.

During 2006 the Company made sales aggregating $42,033, $34,876 and $28,248 to three customers which represent in excess of 10% of the annual sales volume.

During 2007 the Company began providing consulting services. Substantially all of the revenue related to these services was derived from clients of the Company's primary lender NIR Group (See Note 4). These clients were referred to the Company either directly by NIR Group or by a third party.

NOTE 9. SUBSEQUENT EVENTS

From October 1, 2007 through December 27, 2007, the Company issued 1,054,434,948 shares of common stock related to the conversion of convertible notes aggregating $316,330.48.

[EXHIBIT 31.1]

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Paul Kravitz, certify that:

1. I have reviewed this annual report on Form 10-KSB of Med Gen, 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 registrants ability to record, process, summarize and report financial data and have identified for the registrants 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 registrants internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not 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.

Date: December 29, 2007

By: /s/Paul Kravitz

Paul Kravitz
Chief Executive Officer

[EXHIBIT 31.2]

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Jack Chien, certify that:

1. I have reviewed this quarterly report on Form 10-KSB of Med Gen, 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 registrants ability to record, process, summarize and report financial data and have identified for the registrants 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 registrants internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not 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.

Date: December 29, 2007

By: /s/Jack Chien

Jack Chien, Chief Financial Officer,
and Principal Accounting Officer

[Exhibit 32.1]

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 Annual Report of Med Gen, Inc. (the "Company") on Form 10-KSB for the period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report'), I, Jack Chien, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 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 result of operations of the Company.

December 29, 2007

/s/ Paul B. Kravitz

Paul B. Kravitz,
Principal Executive Officer

[Exhibit 32.2]

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 Annual Report of Med Gen, Inc. (the "Company") on Form 10-KSB for the period ended September 30, 2007, as filed with the Securities and Exchange Commission on the date hereof (the "Report'), I, Paul B. Kravitz, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to
Section 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 result of operations of the Company.

December 29, 2007

/s/ Jack Chien

Jack Chien,
Chief Financial Officer