

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

**FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2015

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OF 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 333-73996

**MORGAN GROUP HOLDING CO.**

(Exact name of small business issuing as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of Incorporation of organization)	<u>13-4196940</u> (IRS Employer Identification Number)
<u>401 Theodore Fremd Avenue, Rye, New York</u> (Address of principal executive offices)	<u>10580</u> (Zip Code)
<u>(914) 921-1877</u> (Registrant's telephone number, including area code)	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practical date.

<u>Class</u>	<u>Outstanding at July 24, 2015</u>
<u>Common Stock, \$.01 par value</u>	<u>3,359,055</u>

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**Item 1. Financial Statements.**

Unaudited Financial Statements

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Condensed Statements of Cash Flows for the  
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Notes to Condensed Financial  
Statements as of June 30, 2015

Condensed Balance Sheets  
(Unaudited)

	June 30, 2015	December 31, 2014	June 30, 2014
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$143,048	\$187,429	\$211,220
Prepaid expenses	8,068	9,082	8,068
Total current assets	<u>151,116</u>	<u>196,511</u>	<u>219,288</u>
Equipment – net	245	572	899
Total assets	<u>\$151,361</u>	<u>\$197,083</u>	<u>\$220,187</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accrued liabilities	\$700	\$8,257	\$--
Total current liabilities	<u>700</u>	<u>8,257</u>	<u>--</u>
Total liabilities	<u>700</u>	<u>8,257</u>	<u>--</u>
<b>COMMITMENTS AND CONTINGENCIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, none outstanding	--	--	--
Common stock, \$0.01 par value, 10,000,000 shares authorized, 3,359,055 outstanding	33,591	33,591	33,591
Additional paid-in-capital	5,772,368	5,772,368	5,772,368
Accumulated deficit	(5,655,298)	(5,617,133)	(5,585,772)
Total shareholders' equity	<u>150,661</u>	<u>188,826</u>	<u>220,187</u>
Total liabilities and shareholders' equity	<u>\$151,361</u>	<u>\$197,083</u>	<u>\$220,187</u>

*See accompanying notes to condensed financial statements*

Condensed Statements of Operations  
(Unaudited)

	<b>Three Months Ended</b>		<b>Six Months Ended</b>	
	<b>June 30,</b>		<b>June 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Revenues	\$--	\$--	\$--	\$--
Administrative expenses	(12,533)	(26,581)	(38,165)	(74,415)
Other income:				
Realized and unrealized loss on marketable securities	--	--	--	(543)
Net loss before income taxes	(12,533)	(26,581)	(38,165)	(74,958)
Income taxes	--	--	--	--
Net loss	<u>(\$12,533)</u>	<u>(\$26,581)</u>	<u>(\$38,165)</u>	<u>(\$74,958)</u>
Net loss per share, basic and diluted	(\$0.00)	(\$0.01)	(\$0.01)	(\$0.02)
Shares outstanding, basic and diluted	3,359,055	3,359,055	3,359,055	3,359,055

*See accompanying notes to condensed financial statements*

Condensed Statements of Cash Flows  
(Unaudited)

	<b>Six Months Ended</b>	
	<b>June 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>Cash Flows from Operating Activities</b>		
Cash paid to suppliers	(\$44,381)	(\$73,075)
Net cash used in operating activities	<u>(44,381)</u>	<u>(73,075)</u>
<b>Cash Flows from Investing Activities</b>		
Proceeds from the sale of marketable securities	--	275,314
Net cash provided by investing activities	--	275,314
Net (decrease) increase in cash and cash equivalents	(44,381)	202,239
Cash and cash equivalents, beginning of the period	187,429	8,981
Cash and cash equivalents, end of the period	<u>\$143,048</u>	<u>\$211,220</u>
<b>Reconciliation of net loss to net cash used in operating activities:</b>		
Net loss	(\$38,165)	(\$74,958)
Depreciation	327	327
Realized losses from the sale of marketable securities	--	4,781
Change in unrealized gains from investment in marketable securities	--	(4,238)
Increase in prepaid expenses	1,014	1,013
Decrease in accrued liabilities	(7,557)	--
Net cash used in operating activities	<u>(\$44,381)</u>	<u>(\$73,075)</u>
Cash paid for interest	\$--	\$--
Cash paid for income taxes	\$--	\$--

*See accompanying notes to condensed financial statements*

Condensed Statement of Shareholders' Equity  
Six Months Ended June 30, 2015

	Common Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Par Value			
Shareholders' equity, December 31, 2014	3,359,055	\$33,591	\$5,772,368	(\$5,617,133)	\$188,826
Net loss for six months ended June 30, 2015	--	--	--	(38,165)	(38,165)
Shareholders' equity, June 30, 2015	<u>3,359,055</u>	<u>\$33,591</u>	<u>\$5,772,368</u>	<u>(\$5,655,298)</u>	<u>\$150,661</u>

*See accompanying notes to condensed financial statements*

**Note 1. Basis of Presentation**

Morgan Group Holding Co. (“Holding” or “the Company”) was incorporated in November 2001 as a wholly-owned subsidiary of LICT Corporation (“LICT”) to serve, among other business purposes, as a holding company for LICT’s controlling interest in The Morgan Group, Inc. (“Morgan”). On January 24, 2002, LICT spun off 2,820,051 shares of Holding common stock through a pro rata distribution (“Spin-Off”) to its stockholders and retained 235,294 shares.

The accompanying unaudited condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six months ended June 30, 2015 are not necessarily indicative of the results that may be expected for the year ending December 31, 2015. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

**Note 2. Significant Accounting Policies**

All highly liquid investments with maturity of three months or less when purchased are considered to be cash equivalents. The carrying value of a cash equivalent approximates its fair value based on its nature.

At June 30, 2015, December 31, 2014 and June 30, 2014 all cash and cash equivalents were invested in a United States Treasury money market fund, of which an affiliate of the Company serves as the investment manager.

The Company may from time to time invest in marketable securities that are bought and held principally for the purpose of selling them in the near term and are classified as trading securities. Trading securities are recorded at fair value on the balance sheet in current assets, with the change in fair value during the period included in earnings.

Basic earnings per share is based on the weighted-average number of common shares outstanding during each period. Diluted earnings per share is based on basic shares plus the incremental shares that would be issued upon the assumed exercise of in-the-money stock options and unvested restricted stock using the treasury stock method and, if dilutive.

**Note 3. Income Taxes**

The Company is a “C” corporation for Federal tax purposes, and has provided for deferred income taxes for temporary differences between the financial statement and tax bases of its assets and liabilities. The Company has recorded a full valuation allowance against its deferred tax asset of \$215,538 arising from its temporary basis differences and tax loss carryforward, as its realization is dependent upon the generation of future taxable income during the period when such losses would be deductible.

Pursuant to Sections 382 and 383 of the Internal Revenue Code, annual use of any of the Company’s net operating loss carry forwards may be limited if cumulative changes in ownership of more than 50% occur during any three year period.

**Note 4. Commitments and Contingencies**

From time to time the Company may be subject to certain asserted and unasserted claims. It is the Company’s belief that the resolution of these matters will not have a material adverse effect on its financial position.

The Company has not guaranteed any of the obligations of Morgan and believes it currently has no commitment or obligation to fund any creditors.

At the Company's Annual Meeting of Stockholders on May 8, 2014, its stockholders voted to amend the Company's Certificate of Incorporation (the "Charter Amendment") to increase the number of authorized shares of common stock, par value \$0.01 per share, from 10,000,000 to 100,000,000. In order to economize costs until necessary, the Company has not yet filed the Amended Certificate of Incorporation with its state of incorporation, Delaware, to effectuate the authorization.

On December 21, 2012, the Company and Jonathan P. Evans, currently Chief Executive Officer of the Company, entered into a Nonqualified Stock Option Agreement, whereby the Company granted to Mr. Evans an option (the "Option") to purchase 800,000 shares of the Company's Common Stock at an exercise price of \$0.15 per share of Common Stock, which was the closing price of the Common Stock as quoted on the OTC Markets' inter-dealer quotation service on December 20, 2012. The Options are exercisable at any time and the exercise period expires December 21, 2015. As of June 30, 2015; December 31, 2014; and June 30, 2014, these are the only options outstanding.

Also on December 21, 2012, the Company issued a warrant to purchase up to 1,000,000 shares of the Company's Common Stock at \$1.00 per share to Jonathan P. Evans in exchange for \$10,000, which was received in 2013. In addition on that date, the Company issued a warrant to purchase up to 200,000 shares of the Company's Common Stock to Robert E. Dolan, Chief Financial Officer of the Company, in exchange for \$2,000. Both warrants are exercisable currently through December 21, 2017.

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

### **Overview**

The Company currently has no operating businesses and is actively seeking acquisitions as part of its strategic alternatives. Its only costs are the expenses required to make the regulatory filings needed to maintain its public status and to find and evaluate potential acquisitions. These costs are estimated at \$50,000 to \$100,000 per year.

### **Results of Operations**

#### **Three months Ended June 30, 2015 and 2014**

For the three months ended June 30, 2015, the Company incurred \$12,533 of administrative expenses, a decrease of \$14,048 from the \$26,581 of administrative expenses for the three months ended June 30, 2014. The decrease was essentially due to the cost of the Company's Annual Meeting of Shareholders in 2014.

#### **Six months Ended June 30, 2015 and 2014**

For the six months ended June 30, 2015, the Company incurred \$38,165 of administrative expenses, a decrease of \$36,250 from the \$74,415 of administrative expenses for the six months ended June 30, 2014. The decrease was essentially due to (1) additional acquisition costs in 2014 related to a specific potential acquisition candidate that the Company did not ultimately acquire (2) the cost of the Company's Annual Meeting of Shareholders in 2014.

The Company may from time to time invest in marketable securities. During the six months ended June 30, 2014, the Company recorded \$543 of net realized and unrealized losses from this activity; no realized or unrealized gains or losses were recorded during 2015.

As of June 30, 2015, the Company's principal assets consisted of cash and cash equivalents of \$143,048.

The Company has implemented a growth strategy to acquire US-based businesses of an appropriate type and size. The execution of such a strategy may require the Company to obtain significantly more financial resources than it currently possesses. Those resources could take the form of debt and equity offerings, or potentially a hybrid instrument. There is no assurance that the Company can obtain such financial resources to successfully implement this strategy.

At the Company's Annual Meeting of Stockholders on May 8, 2014, its stockholders voted to amend the Company's Certificate of Incorporation (the "Charter Amendment") to increase the number of authorized shares of common stock, par value \$0.01 per share, from 10,000,000 to 100,000,000. This Charter Amendment gives the Company greater flexibility in considering and planning for future corporate needs, including, but not limited to, possible future capital raising activities, potential strategic transactions, including mergers, acquisitions, and business combinations, as well as other general corporate transactions. Such transactions may be undertaken with affiliates of the Company or unaffiliated third parties. The Board believes that additional authorized shares of common stock will enable the Company to take timely advantage of market conditions and favorable financing and acquisition opportunities that become available.

The Company has no current plan, commitment, arrangement, understanding or agreement regarding the issuance of the additional shares of common stock that will result from the Company's adoption of this Charter Amendment.

The Company has not yet filed the Amended Certificate of Incorporation with its state of incorporation, Delaware.

### **Off Balance Sheet Arrangements**

None.

### **Item 3. Quantitative and Qualitative Analysis of Market Risk**

The Company is a smaller reporting company as defined in Item 10(f)(1) of Regulation S-K and thus is not required to report the Quantitative and Qualitative Analysis of Market Risk specified in Item 305 of Regulation S-K.

### **Item 4. Controls and Procedures**

#### **(a) Evaluation of Disclosure Controls and Procedures**

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the "Act")) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures as of the end of the period covered by this report were designed and were functioning effectively to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. The Company believes that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

#### **(b) Changes in Internal Controls**

During the period covered by this report, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our financial statements.

#### **Forward Looking Discussion**

This report contains a number of forward-looking statements, including but not limited to statements regarding the prospective adequacy of the Company's liquidity and capital resources in the near term. From time to time, the Company may make other oral or written forward-looking statements regarding its anticipated operating revenues, costs and expenses, earnings and other matters affecting its operations and condition. Such forward-looking statements are subject to a number of material factors, which could cause the statements or projections contained therein to be materially inaccurate. Such factors include the estimated administrative expenses of the Company on a going-forward basis.

**Item 6. Exhibits.**

Exhibit 3.1	Certificate of Incorporation of the Company*
Exhibit 3.2	By-laws of the Company*
Exhibit 31.1	Chief Executive Officer Rule 15d-14(a) Certification.
Exhibit 31.2	Principal Financial Officer Rule 15d-14(a) Certification.
Exhibit 32.1	Chief Executive Officer Section 1350 Certification.
Exhibit 32.2	Principal Financial Officer Section 1350 Certification.
EX-101.INS	XBRL INSTANCE DOCUMENT
EX-101.SCH	XBRL TAXONOMY EXTENSION SCHEMA
EX-101.PRE	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE
EX-101.LAB	XBRL TAXONOMY LABEL LINKBASE
EX-101.CAL	XBRL TAXONOMY EXTENSION CALCULATION
EX-101.DEF	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE

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\* Incorporated by reference to the exhibits to the Company's Registration Statement on Form S-1 (Registration No. 333-73996).

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

MORGAN GROUP HOLDING CO.

By: /s/ Robert E. Dolan  
ROBERT E. DOLAN  
Chief Financial Officer

July 24, 2015

## Rule 13a-14(a) Certification of the Chief Executive Officer

I, Jonathan P. Evans, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Morgan Group Holdings Co.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within those entities, particularly during the period in which this report is being prepared;

Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2015

/s/ Jonathan P. Evans

Jonathan P. Evans

Chief Executive Officer

## Rule 13a-14(a) Certification of the Principal Financial Officer

I, Robert E. Dolan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Morgan Group Holdings Co.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 24, 2015

/s/ Robert E. Dolan

Robert E. Dolan

Principal Financial Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Morgan Group Holdings Co. (the "Company") for the three and six months ended June 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Jonathan P. Evans, as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

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

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

/s/ Jonathan P. Evans

Name: Jonathan P. Evans

Title: Chief Executive Officer

Date: July 24, 2015

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Morgan Group Holdings Co. (the "Company") for the three and six months ended June 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Robert E. Dolan, as Principal Accounting Officer of the Company, hereby certifies, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

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

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

/s/ Robert E. Dolan

Name: Robert E. Dolan

Title: Principal Financial Officer

Date: July 24, 2015