CONCIERGE TECHNOLOGIES INC
Form 10-Q
February 18, 2016

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2015
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _________ to __________

Commission File No. 000-29913

CONCIERGE TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

State of Incorporation: Nevada
IRS Employer I.D. Number: 95-4442384

29115 Valley Center Rd. K-206
Valley Center, CA 92082
866-800-2978

(Address and telephone number of registrant's principal
executive offices and principal place of business)

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 twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.
Large accelerated filer [ ] Accelerated filer [ ]

Non-accelerated filer [ ] Smaller reporting company [X]

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

As of February 5, 2016, there were 67,953,870 shares of the Registrant's Common Stock, $0.001 par value, outstanding and 3,754,355 shares of its Series B Convertible Voting Preferred Stock, par value $0.001.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	December 31, 2015	June 30, 2015
ASSETS		
CURRENT ASSETS:		
Cash & cash equivalents	$586,888	$1,970,062
Accounts receivable, net	165,955	95,417
Inventory, net	285,951	85,849
Other current assets	12,025	-
Total current assets	1,050,819	2,151,328
Deposits	13,441	183,931
Property and equipment, net	1,201,429	-
Goodwill	268,431	-
Total assets	$2,534,120	$2,334,259
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$576,453	$269,501
Notes payable - related parties	8,500	8,500
Notes payable	8,500	8,500
Total current liabilities	593,453	286,501
COMMITMENT & CONTINGENCY		
STOCKHOLDERS' EQUITY		
Preferred stock, 50,000,000 authorized par $0.001		
Series B: 3,754,355 issued and outstanding at December 31, 2015 and June 30, 2015	3,755	3,755
Common stock, $0.001 par value; 900,000,000 shares authorized; 67,953,870 shares issued and outstanding at December 31, 2015 and at June 30, 2015	67,954	67,954
Additional paid-in capital	8,325,620	8,325,620
Accumulated other comprehensive loss	(16,357)	-
Accumulated deficit	(6,440,305)	(6,349,570)
Total Stockholders' equity	1,940,667	2,047,758
Total liabilities and Stockholders' equity	$2,534,120	$2,334,259

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

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS & COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

	For the Three-Month Periods Ending December 31,		For the Six-Month Periods Ending December 31,	
	2015	2014	2015	2014
Net revenue	$993,064	$-	$1,728,623	$-
Cost of revenue	680,083	-	1,248,184	-
Gross profit	312,981	-	480,439	-
Operating expense				
General & administrative expense	321,221	26,729	563,141	47,480
Operating Loss	(8,240)	(26,729)	(82,701)	(47,480)
Other income (expense)				
Other income	1,069	-	1,069	-
Interest income	1,128	(29,169)	2,545	(75,250)
Change in fair value of derivative	-	(14,112)	-	(48,877)
Total other income (expense)	2,197	(43,281)	3,614	(124,127)
Loss from continuing operations before income taxes	(6,043)	(70,010)	(79,087)	(171,607)
Provision of income taxes	11,647	-	11,647	-
Loss from Continuing Operations	(17,690)	(70,010)	(90,734)	(171,607)
Income (Loss) from Discontinued Operations				
Income (Loss) from discontinued operations	-	40,863	-	(19,173)
Net Loss	$(17,690)	$(29,147)	$(90,734)	$(190,780)
Other Comprehensive Income (Loss)				
Foreign currency translation income (loss)	69,847	-	(16,357)	-
Comprehensive Income (Loss)	$52,157	$(29,147)	$(107,091)	$(190,780)
Weighted average shares of common stock *		-		
Basic and Diluted	67,953,870	33,692,407	67,953,870	33,325,961
Net loss per common share-continued operations				
Basic and Diluted	$(0.00)	$(0.00)	$(0.00)	$(0.01)

Net loss per common share-discontinued operations				
Basic and Diluted	$-	$0.00	$-	$(0.00)
Net loss per common share				
Basic and Diluted	$(0.00)	$(0.00)	$(0.00)	$(0.01)

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

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

	For the Six-Month Periods Ended December 31,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Loss	$(90,734)	$(190,780)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation	96,676	-
Beneficial conversion feature expense	-	67,571
Change in fair value of derivative liability	-	(18,699)
Amortization of debt issuance cost	-	67,921
(Increase) decrease in current assets:		
Accounts receivable	189,464	-
Inventory	74,140	-
Other current assets	23,982	-
Increase (decrease) in current liabilities:		
Accounts payable & accrued expenses	(18,638)	17,254
Cash provided by (used in) operating activities - continuing operations	274,890	(56,733)
Cash provided by operating activities - discontinued operations	-	167,924
Net cash provided by operating activities	274,890	111,191
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for acquisition of subsidiary net of subsidiary cash acquired	(1,519,802)	
Purchase of equipment	(110,585)	-
Cash used in investing activities - continuing operations	(1,630,387)	-
Cash used in investing activities - discontinued operations	-	(69,761)
Net cash used in investing activities	(1,630,387)	(69,761)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable & debentures	-	35,000
Repayments to related parties	-	(10,000)
Net cash provided by financing activities	-	25,000
Effect of exchange rate change on cash and cash equivalents	(27,677)	-
NET DECREASE IN CASH & CASH EQUIVALENTS	(1,383,174)	66,430
CASH & CASH EQUIVALENTS, BEGINNING BALANCE	1,970,062	20,454
CASH & CASH EQUIVALENTS, ENDING BALANCE	$586,888	$86,884
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest paid	$-	$4,515
Income taxes paid	$-	$26,550

SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Issuance of common stock in settlement of convertible debenture	$-	$55,120

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

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CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Concierge Technologies, Inc., (the "Company"), a Nevada corporation, was originally incorporated in California on August 18, 1993 as Fanfest, Inc. On March 20, 2002, the Company changed its name to Concierge Technologies, Inc. The Company's principal operations include the purchase and sale of mobile video recording devices through its wholly owned subsidiary Kahnalytics, Inc. and the production, packaging and distribution of gourmet meat pies and related bakery confections through its wholly owned New Zealand subsidiary Gourmet Foods, Ltd.

NOTE 2. ACCOUNTING POLICIES

Accounting Principles

In the opinion of management, the accompanying balance sheets and related interim statements of income and comprehensive income, and cash flows include all adjustments, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Interim results are not necessarily indicative of results for a full year. The information included in this Form 10-Q should be read in conjunction with information included in the Company's 2015 Form 10-K filed on October 9, 2015 with the U.S. Securities and Exchange Commission.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Concierge Technologies, Inc., and its wholly owned subsidiaries, Kahnalytics, Inc. and Gourmet Foods, Ltd. All significant inter-company transactions and accounts have been eliminated in consolidation.

Other Comprehensive Income (Loss) and Foreign Currency
We record foreign currency translation adjustments and transaction gains and losses in accordance with SFAS 52, Foreign Currency Translation. The accounts of Gourmet Foods, Ltd. use the New Zealand dollar as the functional currency. Assets and liabilities are translated at the exchange rate on the balance sheet date, and operating results are translated at the average exchange rate throughout the period. Accumulated translation gains classified as an item of accumulated other comprehensive loss in the stockholders' equity section of the consolidated balance sheet was $16,357 as of December 31, 2015.

Use of Estimates

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

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Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, Revenue from Contracts with Customers (ASU 2014-09), which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle and, in doing so, more judgment and estimates may be required within the revenue recognition process than are required under existing U.S. GAAP. The standard is effective for annual periods beginning after December 15, 2016, and interim periods therein, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). Early adoption is not permitted. . The adoption of this guidance is not expected to have a material impact on our consolidated financial statements.

In June 2014, the FASB issued Accounting Standards Update No. 2014-12, Compensation — Stock Compensation (Topic 718), Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period (a consensus of the FASB Emerging Issues Task Force) (ASU 2014-12). The guidance applies to all reporting entities that grant their employees share-based payments in which the terms of the award provide that a performance target that affects vesting could be achieved after the requisite service period. The amendments require that a performance target that affects vesting and that could be achieved after the requisite service period be treated as a performance condition. For all entities, the amendments in this Update are effective for annual periods and interim periods within those annual periods beginning after December 15, 2015. Earlier adoption is permitted. The effective date is the same for both public business entities and all other entities. The Company is currently evaluating the impact of adopting ASU 2014-12 on the Company's results of operations or financial condition.

In August 2014, the FASB issued Accounting Standards Update No. 2014-15, Presentation of Financial Statements – Going Concern (Subtopic 205-40), Disclosure of Uncertainties about an Entities Ability to Continue as a Going Concern (ASU 2014-15). The guidance in ASU 2014-15 sets forth management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern as well as required disclosures. ASU 2014-15 indicates that, when preparing financial statements for interim and annual financial statements, management should evaluate whether conditions or events, in the aggregate, raise substantial doubt about the entity's ability to continue as a going concern for one year from the date the financial statements are issued or are available to be issued. This evaluation should include consideration of conditions and events that are either known or are reasonably knowable at the date the financial statements are issued or are available to be issued, as well as whether it is probable that management's plans to address the substantial doubt will be implemented and, if so, whether it is probable that the plans will alleviate the substantial doubt. ASU 2014-15 is effective for annual periods ending after December 15, 2016, and interim periods and annual periods thereafter. Early application is permitted. The adoption of this guidance is not expected to have a material impact on our consolidated financial statements.

In January 2015, the FASB issued Accounting Standards Update No. 2015-01, Income Statement – Extraordinary and Unusual items (Subtopic 225-20), Simplifying Income Statement Presentation by Eliminating the Concept of Extraordinary Items (ASU 2015-01). The amendment eliminates from U.S. GAAP the concept of extraordinary items. This guidance is effective for the Company in the first quarter of fiscal 2017. Early adoption is permitted and allows the Company to apply the amendment prospectively or retrospectively. The adoption of this guidance is not expected to have a material impact on the Company's consolidated financial statements.

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In February 2015, FASB issued ASU No. 2015-02, (Topic 810): Amendments to the Consolidation Analysis. ASU No. 2015-02 provides amendments to respond to stakeholders' concerns about the current accounting for consolidation of certain legal entities. Stakeholders expressed concerns that GAAP might require a reporting entity to consolidate another legal entity in situations in which the reporting entity's contractual rights do not give it the ability to act primarily on its own behalf, the reporting entity does not hold a majority of the legal entity's voting rights, or the reporting entity is not exposed to a majority of the legal entity's economic benefits or obligations. ASU No. 2015-02 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance is not expected to have a material impact on the Company's results of operations, financial position or disclosures.

In April 2015, FASB issued ASU No. 2015-03, (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs. ASU No. 2015-03 provides guidance that will require debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. ASU No. 2015-03 affects disclosures related to debt issuance costs but does not affect existing recognition and measurement guidance for these items. ASU No. 2015-03 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance is not expected to have a material impact on the Company's results of operations, financial position or disclosures.

In April 2015, FASB issued ASU No. 2015-05, (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangements. ASU No. 2015-05 provides guidance on a customer's accounting for fees paid in a cloud computing arrangement, which includes software as a service, platform as a service, infrastructure as a service, and other similar hosting arrangements. ASU No. 2015-05 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. The adoption of this guidance is not expected to have a material impact on the Company's results of operations, financial position or disclosures.

In September 2015, the Financial Accounting Standards Board ("FASB") issued ASU No. 2015-16, "Business Combinations (Topic 805) Simplifying the Accounting for Measurement-Period Adjustments." ASU No. 2015-06 simplifies the accounting for measurement-period adjustments attributable to an acquisition. Under prior guidance, adjustments to provisional amounts during the measurement period that arise due to new information regarding acquisition date circumstances must be made retrospectively with a corresponding adjustment to goodwill. The amended guidance requires an acquirer to record adjustments to provisional amounts made during the measurement period in the period that the adjustment is determined. The adjustments should reflect the impact on earnings of changes in depreciation, amortization, or other income effects, if any, as if the accounting had been completed as of the acquisition date. Additionally, amounts recorded in the current period that would have been reflected in prior reporting periods if the adjustments had been recognized as of the acquisition date must be disclosed either on the face of the income statement or in the notes to financial statements. This guidance is effective prospectively for interim and annual periods beginning after December 15, 2015 and early application is permitted. The impact of the guidance on our financial condition, results of operations and financial statement disclosures will depend on the level of acquisition activity performed by the Company.

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In November 2015, the Financial Accounting Standards Board (FASB) issued ASU 2015-17, “Balance Sheet Classification of Deferred Taxes” (ASU 2015-17), which changes how deferred taxes are classified on the balance sheet and is effective for financial statements issued for annual periods beginning after December 15, 2016, with early adoption permitted. ASU 2015-17 requires all deferred tax assets and liabilities to be classified as non-current. The adoption of this guidance is not expected to have a material impact on the Company’s results of operations, financial position or disclosures.

In January 2016, the FASB issued ASU 2016-01, “Recognition and Measurement of Financial Assets and Financial Liabilities” (ASU 2016-01), which requires equity investments that are not accounted for under the equity method of accounting to be measured at fair value with changes recognized in net income and updates certain presentation and disclosure requirements. ASU 2016-01 is effective beginning after December 15, 2017. The adoption of this guidance is not expected to have a material impact on the Company’s results of operations, financial position or disclosures.

No other recently issued accounting pronouncements are expected to have a material impact on the Company’s consolidated financial statements.

NOTE 3. GOING CONCERN

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles, which contemplate continuation of the Company as a going concern. The Company has an accumulated deficit of $6,440,305 as of December 31, 2015, including a net loss of $90,734 during the six-month period ended December 31, 2015. The historical losses have adversely affected the liquidity of the Company. Although losses are expected to be curtailed during the current fiscal year due to the sale of its subsidiary Wireless Village dba Janus Cam (“Wireless Village”), a Nevada corporation, which was experiencing historical operating losses, the acquisition of Gourmet Foods in New Zealand, and the establishment of a new wholly-owned subsidiary named Kahnalytics, the Company faces continuing significant business risks, which include, but are not limited to, its ability to maintain vendor and supplier relationships by making timely payments when due, continue product research and development efforts at Kahnalytics, and realization of profitable operation of newly acquired Gourmet Foods in New Zealand while hedging against the effects of fluctuating currency exchange rates.

In view of the matters described in the preceding paragraph, recoverability of a major portion of the recorded asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company’s ability to increase profitability from operations and succeed in its future operations. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts or classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Management has taken the following steps to revise its operating and financial requirements, which it believes are sufficient to provide the Company with the ability to continue as a going concern. Management devoted considerable effort from inception through the period ended December 31, 2015, towards (i) establishment of sales distribution channels for its products, (ii) management of accrued expenses and accounts payable, (iii) divestiture of non-profitable operations, (iv) alliance with suitable synergistic partners for business opportunities in mobile incident reporting and, (v) acquisition of established enterprises such as Gourmet Foods with a high likelihood of profitability.

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(UNAUDITED)

Management believes that the above actions will allow the Company to continue operations for the next 12 months.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2015 and June 30, 2015:

	December 31, 2015	June 30, 2015
Plant and Equipment	$ 1,169,905	-
Leasehold Improvements	72,473	-
Furniture & Office Equipment	55,613	$ 12,910
Vehicles	16,795	-
Total Property and Equipment, Gross	1,314,806	12,910
Accumulated Depreciation	(113,377)	(12,910)
Total Property and Equipment, Net	$ 1,201,429	$ -

Depreciation expense amounted to $96,676 and $0 for the six-month periods ended December 31, 2015 and 2014, respectively.

NOTE 5. RELATED PARTY TRANSACTIONS

Notes Payable - Related Parties

Current related party notes payable consist of the following:

	December 31, 2015	June 30, 2015
Notes payable to shareholder, interest rate of 10%, unsecured and payable on July 31, 2004 (past due)	$5,000	$5,000
Notes payable to shareholder, interest rate of 8%, unsecured and payable on December 31, 2012 (past due)	3,500	3,500
	$8,500	$8,500

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following:

	December 31, 2015	June 30, 2015
Accounts payable	$260,115	$108,860
Sales Tax payable	-	360
Accrued judgment	135,000	135,000
Accrued interest	2,748	781
Accrued expenses	178,591	24,500
Total	$576,453	$269,501

NOTE 7. NOTE PAYABLE

Shares Issued in Connection with Financing Cost

On November 8, 2013 Wireless Village entered into a short term Note Agreement with an unaffiliated individual in the amount of $50,000, the proceeds of which were used to pay down inventory purchase costs. Interest on the Note accrued at the rate of 10% per annum and was payable in monthly instalments with a maturity date of February 19, 2014 payable by Wireless Village. On February 19, 2014 the unaffiliated individual agreed to extend the maturity date to June 1, 2014 and the Company agreed to pay a loan commitment fee of 1.5%, or $750. By agreement, that fee was paid by the issuance of 53,571 shares of common stock with a market value on the date of issuance of $0.014 per share. The note was subsequently extended to mature on January 5, 2015, and then again to mature on February 27, 2015 provided Concierge Technologies guaranteed the repayment on behalf of Wireless Village. A fee in the amount of 1%, or $500, was paid in cash to the noteholder by Wireless Village in exchange for the agreement to extend the maturity date. On February 13, 2015 the note was repaid in full by Concierge Technologies. The amount of the payment made by Concierge Technologies is included in the total of intercompany loan liabilities of Wireless Village and taken into consideration for the calculation of gain on the sale of Wireless Village as a forgiveness of debt.

On December 24, 2014 the Company entered into an unsecured promissory note agreement with an unaffiliated individual for the principal amount of $35,000 plus interest to accrue at the rate of 6% per annum on the unpaid principal. The note and accrued interest was due and payable on or before June 30, 2015. The proceeds of the loan were reserved in anticipation of the need to pay a convertible debenture maturing in January 2015. On January 26, 2015 the noteholder became an investor and shareholder of the Company and the amount of $35,000 due under the note agreement was repaid as a credit to the amount of funds due per the stock subscription agreement. No interest was accrued or paid on the note.

An unsecured loan in the amount of $8,500 due a former director and shareholder who is now deceased has been reclassified as a note due unrelated party. The note is interest free, not deemed assignable to successors by the Company, and held as a contingent liability until resolved.

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CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 8. CONVERTIBLE DEBENTURES

On February 18, 2014 the Company entered into a series of agreements, including a convertible debenture, that resulted in a funding of $53,000. The debenture is convertible, at the option of the debenture holder, to restricted common shares after August 18, 2014 at a conversion price calculated on a prescribed discount to the trailing 10-day volume weighted average market price ("VWAP") of our shares on the date of conversion. During the initial 6 months from the date of the note the Company may repay the principal plus accrued interest at the rate of 8% per annum by applying a pre-payment penalty determined on a sliding scale tied to the aging of the note. After the initial 6-month period has elapsed the Company may not repay the note until its maturity date on November 18, 2014 at which time the note principal and interest will become due and payable without pre-payment penalty. The Company identified embedded derivatives related to the convertible debenture. During the quarter ended September 30, 2014, at the election of the debenture holder, the Company converted $28,000 of the principal to equity through issuance of 4,346,247 shares of common stock. During the quarter ended December 31, 2014, at the election of the debenture holder, the Company converted $25,000 of the principal plus $2,120 of accrued interest to equity through issuance of 5,424,000 shares of common stock. The debenture has been paid in full as of June 30, 2015.

On March 28, 2014 the Company entered into a series of agreements, including a convertible debenture, that resulted in a funding of $32,500. The note is convertible, at the option of the debenture holder, to restricted common shares after September 23, 2014 at a conversion price calculated on a prescribed discount to the trailing 10-day VWAP of our shares on the date of conversion. During the initial 6 months from the date of the note the Company may repay the principal plus accrued interest at the rate of 8% per annum by applying a pre-payment penalty determined on a sliding scale tied to the aging of the note. After the initial 6-month period has elapsed the Company may not repay the note until its maturity date on January 2, 2015 at which time the note principal and interest will become due and payable without pre-payment penalty. The Company identified embedded derivatives related to the convertible debenture. As of June 30, 2015 the debenture was repaid in full with cash of $32,500 plus accrued interest of $1,995.

On April 25, 2014 the Company entered into a series of agreements, including a convertible debenture, that resulted in a funding of $32,500. The note is convertible, at the option of the debenture holder, to unregistered common shares after October 22, 2014 at a conversion price calculated on a prescribed discount to the trailing 10-day VWAP of our shares on the date of conversion. During the initial 6 months from the date of the note the Company may repay the principal plus accrued interest at the rate of 8% per annum by applying a pre-payment penalty determined on a sliding scale tied to the aging of the note. After the initial 6-month period has elapsed the Company may not repay the note until its maturity date on January 25, 2015 at which time the note principal and interest will become due and payable without pre-payment penalty. The Company identified embedded derivatives related to the convertible debenture. As of June 30, 2015 the debenture was repaid in full with cash of $32,500 plus accrued interest of $1,995.

The Company identified embedded derivatives related to all the three convertible debenture mentioned above. The embedded derivatives included certain conversion features. The accounting treatment of derivative financial instruments required that the Company record the derivatives at their fair values as of the inception date and at fair value as of each subsequent balance sheet date. Any change in fair value was recorded as non-operating, non-cash income or expense at each reporting date. If the fair value of the derivatives was higher at the subsequent balance sheet date, the Company recorded a non-operating, non-cash charge. If the fair value of the derivatives was lower at the subsequent balance sheet date, the Company recorded non-operating, non-cash income. The derivatives were classified as short-term liabilities. The debentures were repaid in full with cash as of June 30, 2015 and the derivative liability was eliminated on the consolidated balance sheet at June 30, 2015.

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NOTE 9. FAIR VALUE MEASUREMENT

The Company adopted the provisions of ASC 825-10 on January 1, 2008. ASC 825-10 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of non-performance. ASC 825-10 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 825-10 establishes three levels of inputs that may be used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities;

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed and is determined based on the lowest level input that is significant to the fair value measurement.

Upon adoption of ASC 825-10, there was no cumulative effect adjustment to beginning retained earnings and no impact on the consolidated financial statements.

The carrying value of the Company's cash and cash equivalents, accounts receivable, accounts payable, short-term borrowings, and other current assets and liabilities approximate fair value, because of their short-term maturity.

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of June 30, 2015:

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
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	Quoted Prices in Active Markets for Identical Instruments Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
Derivative Liability	$ –	$–	$ -	$ -

	Roll-forward of Balance
Derivative liability for Convertible Debentures	67,571
Change in value of derivative liability during the period ended June 30, 2015	-67,571
Balance, June 30, 2015	$ -

The Company's derivative liability was valued using pricing models, and the Company generally uses similar models to value similar instruments. Where possible, the Company verifies the values produced by its pricing models to market prices. Valuation models require a variety of inputs, including contractual terms, market prices, yield curves, credit spreads, measures of volatility, and correlations of such inputs. These financial liabilities do not trade in liquid markets, and, as such, model inputs cannot generally be verified and do involve significant management judgment. Such instruments are typically classified within Level 3 of the fair value hierarchy. The change in fair value of the derivative liability is included as a component of other income in the consolidated statements of operations. The derivative liability was calculated using the Black-Scholes option-pricing model with the following assumptions: expected lives range of less than a month; 110.48% stock price volatility; risk-free interest rate of 0.110% and no dividends during the expected term.

NOTE 10. BUSINESS COMBINATIONS

On May 28, 2015 Concierge Technologies, Inc. (the “Company”) entered into an agreement to acquire the assets of Gourmet Foods, Ltd., a New Zealand corporation, subject to satisfactory completion of due diligence and other customary criteria for a transaction of this kind. Gourmet Foods is a baker of New Zealand meat pies and other confections distributed to major grocery stores, convenience stores, restaurants and other retailers throughout New Zealand. The Company placed a cash deposit with Gourmet Foods in accordance with the provisions of the asset purchase agreement, however the parties later elected to change the nature of the transaction to a stock purchase agreement. The Stock Purchase Agreement (the “SPA”) was entered into on July 28, 2015 and was set to close on July 31, 2015 subject to final adjustments to accounts receivable, accounts payable, inventory, employee entitlements and other current assets and liabilities. The Company paid a purchase consideration of NZ$2,597,535 (approximately US$1,753,428) in cash. An independent evaluation was conducted in order to obtain a fair market value of the fixed assets of Gourmet Foods. The remainder of the purchase price was allocated between the difference of acquired assets over liabilities assumed and goodwill.

On August 11, 2015 the parties reached agreement to close the SPA based on the balance sheet information as of July 31, 2015, subject to further adjustments if necessary once certain balances became known without dispute, and the Company remitted the remainder of the purchase price in cash to an account in New Zealand established for the benefit of the shareholders of Gourmet Foods, Ltd. The operations of Gourmet Foods, Ltd. will be consolidated going forward with those of the Company as of August 1, 2015.

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
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Under the acquisition method of accounting, the total purchase consideration is allocated to Gourmet Foods, Ltd. net tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The excess of the purchase consideration over the fair value of assets acquired and liabilities assumed was allocated to goodwill. The following table summarizes the preliminary fair value estimate of the net assets acquired as of the Acquisition Date:

Cash	$50,695
Accounts Receivable	259,662
Pre Payments	11,246
Inventory	256,271
Furniture/Fixtures	1,207,762
Goodwill	268,431
Total Assets	2,054,067
Accrued Expenses	37,233
Accounts Payable	216,718
Accrued Holiday Pay	46,013
Employee Entitlements	675
Total Liabilities	300,639
Purchase Consideration Paid for Acquisition of Net Assets	$1,753,428

NOTE 11. DISCONTINUED OPERATIONS

On February 26, 2015, the Company entered into a Stock Redemption Agreement with two of its shareholders (the “Shareholders”) and its wholly-owned subsidiary Wireless Village, Inc. dba Janus Cam (“Janus Cam”), a Nevada corporation (the “Agreement”) whereby the Company will cancel 68,000,000 shares of the Company’s common stock held by the Shareholders in exchange for all of the outstanding shares of common stock of Wireless Village held by the Company and the forgiveness of certain “Inter-Company Debt” of $344,052 advanced to Janus Cam by the Company (the “Transaction”). On May 7, 2015, the Company completed the closing of the transaction.

Assets of the divested subsidiary consisted of the following as of May 7, 2015:

	May 7, 2015
Cash and cash equivalents	$ 130,052
Accounts receivable, net	66,015
Due from related party	167,443
Inventory, net	190,499
Pre-Paid inventory, advance to supplier	219,149
Payroll advance	1,935
Current assets of subsidiary	775,093
Security deposits	11,222
Equipment	2,483
Network/office equipment	34,589

Accumulated depreciation	(30,820)
Non-Current assets of subsidiary	17,473
Total Assets of subsidiary	$ 792,567

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CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
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Liabilities of the divested subsidiary consisted of the following:

	May 7, 2015
Accounts payable	$ 285,512
Sales tax liability	3,914
CA income tax provision	-
Payroll taxes payable	529
Total Accrued Expenses	289,955
Customer advances	82,475
Notes payable-related parties	-
Notes payable	-
Debt payable to Concierge	344,052
Total liabilities of subsidiary	$ 716,482

Net income and gain from the sale of subsidiary

The common shares redeemed in the transaction were valued at the fair market price of $0.0089 on the date of closing resulting in $605,200 in consideration. The debt payable to Concierge amounting to $344,052 as of the closing date was forgiven. The disposal of subsidiary resulted in a gain on disposal of $109,600. The income from discontinued operations for the period July 1, 2014 through May 7, 2015 was $108,807 resulting in a total gain on the disposal of the subsidiary of $218,407.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Lease Commitment

Gourmet Foods. Ltd., a wholly owned subsidiary of the Company, has operating leases for its office, factory and warehouse facilities located in Tauranga, New Zealand, as well as for certain equipment. These leases are generally for three-year terms, with options to renew for additional three-year periods. The leases mature between September 2016 and August 2018, and require monthly rental payments of approximately US$9,726 per month when converted from New Zealand currency as of December 31, 2015.

Future minimum lease payments as stated in US$ are as follows:

Fiscal years ending June 30, for Gourmet Foods, Ltd.

2016	$58,358
2017	99,295
2018	18,098
2019	3,402
	$179,153

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Gourmet Foods, Ltd. of Tauranga, New Zealand, our wholly owned subsidiary, entered into a General Security Agreement in favor of the Gerald O'Leary Family Trust and registered on the Personal Property Securities Register for a priority sum of NZ$110,000 (approximately US$75,406)to secure the lease of its primary facility. In addition, the Company has posted a NZ$20,000 (approximately US$13,710) bond secured with a cash deposit of equal amount to secure a separate facilities lease on behalf of Gourmet Foods, Ltd. The General Security Agreement and the cash deposit will remain until such time as the respective leases are satisfactorily terminated in accordance with their terms. Interest from the cash deposit securing the lease accumulates to the benefit of the Company and is listed as Interest Income at current value translated to US currency on the accompanying Condensed Consolidated Statements of Operations.

Litigation

On May 6, 2002, a default judgment was awarded to Brookside Investments Ltd. against, jointly and severally, Concierge, Inc., Allen E. Kahn, and The Whitehall Companies in the amount of $135,000 plus legal fees. As of May 7, 2012, the judgment had lapsed due to the passage of time and the creditor's failure to renew. Although a new court action would be required by the plaintiff in order to seek legal remedies, the Company has accrued the amount of $135,000 in the accompanying financial statements as accrued expenses as of December 31, 2015.

NOTE 13. SEGMENT REPORTING

With the acquisition of Gourmet Foods, Ltd., the Company has identified two segments for its products and services; U.S.A. and New Zealand. Our reportable segments are business units located in different global regions. The Company's operations in North America include the purchase and sale of mobile video recording devices through its wholly owned subsidiary Kahnalytics, Inc. and in New Zealand include the production, packaging and distribution on a commercial scale of gourmet meat pies and related bakery confections through its wholly owned subsidiary Gourmet Foods, Ltd. Separate management of each segment is required because each business unit is subject to different operational issues and strategies due to their particular regional location. The Company accounts for intra-company sales and expenses as if the sales or expenses were to third parties and eliminates them in the consolidation.

The following table presents a summary of identifiable assets as of December 31, 2015 and June 30, 2015:

	As of December 31, 2015	As of June 30, 2015
Identifiable assets:		
Corporate headquarters	$ 379,293	$ 2,132,164
U.S.A.	165,755	202,095
New Zealand	1,989,072	-
Consolidated	$ 2,534,120	$ 2,334,259

CONCIERGE TECHNOLOGIES, INC. AND SUBSIDIARIES
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The following table presents a summary of operating information for the six months ended December 31, 2015: (note: Asia – Pacific is 5 months of operation since acquisition)

	December 31, 2015
Revenues from unaffiliated customers:	
U.S.A. : Mobile video recording devices	$117,700
New Zealand : Food Industry	1,610,923
Consolidated	$1,728,623
Net income (loss) after taxes:	
Corporate headquarters	$(117,161)
U.S.A. : Mobile video recording devices	(1,817)
New Zealand : Food Industry	28,243
Consolidated	$(90,734)

The following table presents a summary of capital expenditures for the six months ended December 31, 2015:

	December 31, 2015
Capital expenditures:	
Corporate headquarters	$ 863
New Zealand	109,722
Consolidated	$ 110,585

NOTE 14. REVERSE STOCK SPLIT

On November 11, 2015, the Board of Directors (the "Board') of the Company approved the implementation of a one-for-ten (1:10) reverse stock split of all of the Company's issued and outstanding common and preferred stock (the "Reverse Stock Split"). The Reverse Stock Split became effective when trading opened on December 15, 2015. The Reverse Stock Split was previously approved by the Company's shareholders pursuant to a majority written consent and by the Board pursuant to unanimous written consent on February 26, 2015. The approvals provided discretion to the Board to implement the Reverse Stock Split by the end of 2015. The number of the Company's authorized shares of common stock did not change. All figures have been presented on the basis of reverse split where ever applicable for all the periods presented in these financial statements.

NOTE 15. SUBSEQUENT EVENTS

On January 27, 2016, the Board of Directors of the Company approved the entry into a convertible promissory note with Wainwright Holdings, Inc. in the principal amount of $450,000 (the "Note") by unanimous written consent. Wainwright Holdings is an entity affiliated with CEO Nicholas Gerber.

The Note bears interest at four percent (4%) per annum and increases to eight percent (8%) in the event of default by the Company. The Note may be prepaid at any time in whole or in party by the Company and is convertible into common stock of the Company at the election of Wainwright Holdings on the date which is 180 days following issuance of the Note at a conversion price of $0.10 per share. The conversion price is subject to adjustment for mergers, consolidations, share exchanges, recapitalizations or similar events. The Note matures five (5) years from issuance and is not secured by any assets of the Company. Proceeds from the Note are intended to be used for transactions involving acquisitions of unrelated companies by Concierge Technologies that meet the criteria as determined by the Board of Directors.

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

The Company, through Planet Halo and Wireless Village, had been selling subscriptions to its wireless Internet access service in various increments, including daily, weekly, monthly and yearly since 2007. During the fiscal year ending June 30, 2011, we completed the transition away from this business and refocused our efforts, through our majority owned subsidiary Wireless Village dba/Janus Cam, on the sale and distribution of mobile video surveillance systems, generically known as “drive cams”. During the fiscal year ended June 30, 2013 we sold Planet Halo to a shareholder through a stock redemption agreement and we acquired all of the minority owned shares of Wireless Village through a stock-for-stock exchange. Having Wireless Village as a wholly-owned subsidiary for 2 years produced operating losses and the Company elected to raise additional working capital through equity and change our strategic focus. Accordingly, during the fiscal year ended June 30, 2015 we raised $3 million in cash, sold Wireless Village to its executive management team through a stock redemption agreement, established a new wholly-owned subsidiary named Kahnalytics to carry on certain profitable aspects of the former Wireless Village line of business, and entered into an agreement to acquire Gourmet Foods. Ltd. of Tauranga, New Zealand. The acquisition of Gourmet Foods, Ltd. was completed on August 11, 2015.

Kahnalytics

Kahnalytics purchases hardware, including cameras and SD Cards, for configuration prior to release to end users. These items are either listed in inventory if held beyond the close of the current accounting period, or summarized as “cost of goods sold” when sold with resulting revenues recorded as hardware sales. Inventory orders which have been paid for, or partially paid for, in advance of receipt are classified as Advance to Suppliers. Generally, hardware is sold to customers who require installation of the product in their vehicles. Kahnalytics contracts with an unrelated third party for fulfillment of the product delivery and installation. The charges for installation service and delivery where applicable are calculated according to a negotiated flat rate and included in net revenues with totals for the six-month periods ending December 31, 2015 and 2014 as $117,700 and $0 respectively. Accounts receivable at December 31, 2015 and June 30, 2015 were recorded at $0 and $95,417 respectively, evidencing all accounts as paid in full by the end of the current period. The decrease is due to two factors, (1) the start-up nature of Kahnalytics as of June 30, 2015 had not provided sufficient time for the company to collect on its open invoices and, (2) during the three-month period just ended Kahnalytics had elected to refocus its strategy on compiling data from devices such as the vehicle recorders. Accordingly, hardware sales have ceased as resources were directed to Internet-based application programming and device integration. With no hardware sales occurring during the period October 1 – December 31, 2015, and all previous sales invoices collected, there were no accounts receivable as of December 31, 2015. For the three-month period ending December 31, 2015 there was one sales refund of $3,500 and a downwards adjustment to sales tax payable of $81 recorded in other income. There were no other revenues or cost of goods sold for the three-month period ending December 31, 2015.

Cost of revenues for the six-month period ending December 31, 2015 were comprised of $81,783 in hardware and $32,315 in contracted fulfillment services for a total of $114,098 producing an operating income of $3,683 before general and administrative expenses and income tax. Since Kahnalytics was not founded until May 2015 there are no comparison results for the six-month period ended December 31, 2014.

Gourmet Foods, Ltd.

Gourmet Foods Limited (“GFL”), was organized in its current form in 2005 (previously known as Pats Pantry Ltd). Pats Pantry was founded in 1966 to produce and sell wholesale bakery products, meat pies and patisserie cakes and slices, in New Zealand. GFL, located in Tauranga, New Zealand, sells substantially all of its goods to supermarkets and service station chains with stores located throughout New Zealand. GFL also has a large number of smaller independent lunch bars, cafes and corner dairies among the customer list, however they comprise a relatively insignificant dollar volume in comparison to the primary accounts of large distributors and retailers. Concierge Technologies purchased all of the issued and outstanding shares of GFL as of August 1, 2015, even though the transaction did not officially close until August 11, 2015.

An independent evaluation of the assets of GFL was commissioned as was an audit of their last two fiscal years ended March 31st. It was ascertained that GFL had experienced a net loss over the fiscal year ended March 31, 2015 of $9,558. Contributing to the loss were several factors that current management does not expect to reoccur which included an effort to export product to Korea and an ill-suited sales effort involving the addition of field sales representatives and their associated expenses including company provided vehicles. Since the acquisition date of August 11, 2015 GFL has initiated several strategies designed to improve profitability through a more efficient and automated production process and sales growth initiatives that involve an outreach to areas currently underserved by GFL. To assist with the purchase of new machinery and cover interim working capital needs, Concierge Technologies extended an interest-free intercompany loan of NZ$250,000.

The accompanying financial statements include the operations of GFL for the period August 1, 2015 through December 31, 2015. Because the Company did not acquire GFL until the current fiscal year there is no comparison data supplied in the accompanying Condensed Consolidated Statements of Operations for GFL for the periods ended December 31, 2014, nor are the assets and liabilities of GFL included in the Condensed Consolidated Balance Sheets as of June 30, 2015.

GFL operates exclusively in New Zealand and thus the New Zealand dollar is its functional currency. In order to consolidate our reporting currency, the US dollar, with that of GFL we record foreign currency translation adjustments and transaction gains and losses in accordance with SFAS 52, Foreign Currency Translation. The translation of New Zealand currency into U.S. dollars is performed for balance sheet accounts using the exchange rates in effect at the balance sheet date and for revenue and expense accounts using a weighted average exchange rate during the period. Gains and losses resulting from the foreign currency translations are included in Other Comprehensive Income (Loss) found on the Condensed Consolidated Statements of Operations and Comprehensive Income (loss) and are listed as a loss of $16,357 for the six months ended December 31, 2015 and a gain of $69,847 for the three-month period ended December 31, 2015.

Net revenues for the five-month period August 1, 2015 through December 31, 2015 were $1,610,923 with interest income of $1,658 and other income of $740. Cost of goods sold for the five-month period ending December 31, 2015 was $1,134,086 resulting in an operating income of $476,837 or approximately 30% gross margin. General and administrative expenses for the five-month period were $342,707 resulting in a net income before other income and expenses, income tax and depreciation of $134,130. The depreciation expense for GFL over the five-month period ending December 31, 2015 was $96,639 which, when combined with the income tax provision of $11,169, the interest income of 1,611 and other income of $740 resulted in a net income of $28,721.

Net revenues for the three-month period ending December 31, 2015 were $996,564 with cost of goods sold of $683,345 resulting in an operating income of $313,219 for an approximate 31% gross margin. General and administrative expenses for the three-month period ending December 31, 2015 were $215,094 with depreciation expense of $58,450, income tax provision of $11,647, interest income of $1,183 and other income of $740 producing a net income of $29,951.

Concierge Technologies

The Company overall incurred an operating loss (before provisions for income taxes, other income and expenses, and other comprehensive gains/losses) for the six-month period ended December 31, 2015 of $82,701 as compared to a net loss of $47,480 for the six-month period ended December 31, 2014. This represents an increase in operating losses of $35,221 over the current six-month period when compared to the same period of the previous year. Other income comprised of interest on cash deposits of $2,545 and other income of $1,069 during the six-month period ending December 31, 2015 was $3,614 as compared to other expenses incurred for the six-month period ending December 31, 2014 of $124,127. The net loss from continuing operations (before income tax and losses from discontinued operations) for the six-month periods ending December 31, 2015 and 2014 were $79,087 and $171,607 respectively. The discontinued operations of Janus Cam accounted for additional losses for the six-month period ended September 30, 2014 of $19,173 for a total net loss $190,780 as compared to the net loss for the six-months ending December 31, 2015, after inclusion of income tax provision of $11,647, of $90,734. For the three-month period ending December 31, 2015 the net loss from continuing operations was $17,690 as compared to the net loss for the three-months ended December 31, 2014 of $70,010.

Management attributes much of the net loss incurred during the current quarter to the transaction costs connected to the acquisition of GFL and the associated audit fees incurred post-transaction. Although there are expected to be additional audit costs going forward when compared to historic costs incurred for Concierge US-based subsidiaries, management does not anticipate them to be significant in relation to the increase in revenues provided by the operation of GFL.

Liquidity

During the current fiscal year we have invested approximately $2 million in cash towards purchasing and assimilating Gourmet Foods into the Concierge Technologies group of companies. We have continued to pursue business opportunities with Kahnalytics and intend to grow that opportunity by implementation of a software development project in the coming months that is envisioned to produce a significant recurring revenue stream when finalized. Management forecasts Gourmet Foods to produce a profit during the current fiscal year and the realization of those profits by Concierge may be augmented by a resurgence of the New Zealand currency against the U.S. dollar during the current fiscal year. While we intend to maintain and improve our revenue stream from wholly owned subsidiaries Kahnalytics and Gourmet Foods, we are also looking to expand our business to include other synergistic partners and pursue possible licensing agreements for product distribution on a global scale. Provided our subsidiaries continue to operate as they are presently, and are projected to operate, we have sufficient capital to pay our general and administrative expenses for the coming fiscal year and to adequately pursue our long term business objectives.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

The Company is a smaller reporting company and is not required to provide the information required by this item.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures. The Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective and are designed to provide reasonable assurances that the information the Company is required to disclose in the reports it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time period required by the Commission's rules and forms. Further, the Company’s officers concluded that its disclosure controls and procedures are also effective to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is accumulated and communicated to its management, including its chief executive officer and chief financial officer, to allow timely decisions regarding required disclosure. There were no significant changes in the Company's internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 1A. Risk Factors.

The Company is a smaller reporting company and is not required to provide the information required by this item.

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

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information

On November 11, 2015, the Board of Directors (the “Board’) of the Company approved the implementation of a one-for-ten (1:10) reverse stock split of all of the Company’s issued and outstanding common and preferred stock (the “Reverse Stock Split”). The Reverse Stock Split became effective when trading opened on December 15, 2015.

The Reverse Stock Split was previously approved by the Company’s shareholders pursuant to a majority written consent and by the Board pursuant to unanimous written consent on February 26, 2015. The approvals provided discretion to the Board to implement the Reverse Stock Split by the end of 2015. Notice of shareholder approval was mailed to the Company’s shareholders on April 17, 2015 pursuant to a 14C Information Statement.

As a result of the Reverse Stock Split, every ten (10) shares of issued and outstanding common and preferred stock of the Company has been converted into one (1) share of common stock. All fractional shares created by the Reverse Stock Split were rounded to the nearest whole share. If the fraction created was one half or less, it was rounded down to the nearest whole share. If the fraction was more than one half, it was rounded up to the nearest whole share. Each shareholder received at least one share. The number of the Company’s authorized shares of common stock did not change. The difference between the new aggregate value of issued shares at par versus the old aggregate value of issued shares at par value was added to additional paid in capital (shareholder equity) as of December 31, 2015.

A new CUSIP number has been issued for the Company's common stock ("206065203") to distinguish stock certificates issued after the effective date of the Reverse Stock Split. The Company's old CUSIP number was 206065104.

Item 6. Exhibits

The following exhibits are filed, by incorporation and by reference, as part of this Form 10-Q:

Exhibit		Item
2.1	-	Stock Purchase Agreement of March 6, 2000 between Starfest, Inc. and MAS Capital, Inc.*
2.2	-	Stock Purchase Agreement among Concierge Technologies, Inc., Wireless Village, Inc., Bill Robb and Daniel Britt.++
3.1	-	Certificate of Amendment of Articles of Incorporation of Starfest, Inc. and its earlier articles of incorporation.*
3.2	-	Bylaws of Concierge, Inc., which became the Bylaws of Concierge Technologies upon its merger with Starfest, Inc. on March 20, 2002.*
3.5	-	Articles of Merger of Starfest, Inc. and Concierge, Inc. filed with the Secretary of State of Nevada on March 1, 2002.**
3.6	-	Agreement of Merger between Starfest, Inc. and Concierge, Inc. filed with the Secretary of State of California on March 20, 2002.**
3.7	-	Articles of Incorporation of Concierge Technologies, Inc. filed with the Secretary of State of Nevada on April 20, 2005.+

3.8 - Articles of Merger between Concierge Technologies, Inc., a California corporation, and Concierge Technologies, Inc., a Nevada corporation, filed with the Secretary of State of Nevada on March 2, 2006 and the Secretary of State of California on October 5, 2006.+

3.9 - Amendment to Articles of Incorporation as filed with the Definitive Information Schedule 14c filed with the SEC on December 3, 2010 and with the Nevada Secretary of State on December 23, 2010.

10.1 - Agreement of Merger between Starfest, Inc. and Concierge, Inc.*

14.1 - Code of Ethics for CEO and Senior Financial Officers.***

31.1 - Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2 - Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32.1 - 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.

32.2 - Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

*Previously filed with Form 8-K12G3 on March 10, 2000; Commission File No. 000-29913, incorporated herein.

**Previously filed with Form 8-K on April 2, 2002; Commission File No. 000-29913, incorporated herein.

***Previously filed with Form 10-K FYE 06-30-04 on October 13, 2004; Commission File No. 000-29913, incorporated herein.

+Previously filed with Form 10-K FYE 06-30-06 on October 13, 2006; Commission File No. 000-29913, incorporated herein.

++Previously filed on November 5, 2007 as Exhibit 10.2 to Concierge Technologies' Form 8-K for the Current Period 10-30-07; Commission File No. 000-29913, incorporated herein.

SIGNATURES

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

Dated: February 18, 2016

CONCIERGE TECHNOLOGIES, INC.

By: /s/ Nicholas Gerber
Nicholas Gerber, Chief Executive Officer