

NORTECH SYSTEMS INC
Form 10-Q
August 03, 2016
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2016

OR

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

For the transition period from to

NORTECH SYSTEMS INCORPORATED

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Commission file number **0-13257**

State of Incorporation: **Minnesota**

IRS Employer Identification No. **41-1681094**

Executive Offices: **7550 Meridian Circle N., Suite # 150, Maple Grove, MN 55369**

Telephone number: **(952) 345-2244**

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 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 Regulations 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 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

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

Number of shares of \$.01 par value common stock outstanding at July 29, 2016 - 2,747,831

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	THREE MONTHS ENDED JUNE 30		SIX MONTHS ENDED JUNE 30	
	2016	2015	2016	2015
Net Sales	\$ 28,945,135	\$ 26,801,473	\$ 57,895,177	\$ 53,341,095
Cost of Goods Sold	25,822,428	24,371,349	51,393,909	48,044,816
Gross Profit	3,122,707	2,430,124	6,501,268	5,296,279
Operating Expenses				
Selling Expenses	1,310,335	1,310,355	2,613,825	2,673,797
General and Administrative Expenses	1,922,308	1,603,129	3,776,431	3,307,443
Total Operating Expenses	3,232,643	2,913,484	6,390,256	5,981,240
Income (Loss) From Operations	(109,936)	(483,360)	111,012	(684,961)
Other Expense				
Interest Expense	(139,247)	(112,002)	(271,269)	(207,188)
Loss Before Income Taxes	(249,183)	(595,362)	(160,257)	(892,149)
Income Tax Benefit	(69,000)	(217,000)	(43,000)	(321,000)
Net Loss	\$ (180,183)	\$ (378,362)	\$ (117,257)	\$ (571,149)
Loss Per Common Share:				
Basic	\$ (0.07)	\$ (0.14)	\$ (0.04)	\$ (0.21)
Weighted Average Number of Common Shares Outstanding - Basic	2,747,700	2,746,325	2,747,012	2,745,183
Diluted	\$ (0.07)	\$ (0.14)	\$ (0.04)	\$ (0.21)