UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal period ended: March 31, 2016

or

☐ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________ to ________

Commission File Number: **333-169397**

China Herb Group Holdings Corporation
(Exact name of small business issuer as specified in its charter)

Nevada	**333-169397**	**27-3042462**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

77 Las Tunas Drive, Suite 203
Arcadia, CA 91007
(Address of principal executive offices and zip code)

Phone: (626) 608-0958
(Registrant's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the last 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, 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," "non-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 ☐

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: 36,443,119 Shares of Common Stock, as of May 2, 2016.

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ITEM 1. FINANCIAL STATEMENTS

CHINA HERB GROUP HOLDINGS CORPORATION
BALANCE SHEETS

	March 31, 2016 (Unaudited)	December 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 108	$ 1,795
TOTAL CURRENT ASSETS	108	1,795
TOTAL ASSETS	$ 108	$ 1,795
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES:		
Accounts payable	$ 7,504	$ 4,340
Related parties loans	157,098	153,748
TOTAL CURRENT LIABILITIES	164,602	158,088
STOCKHOLDERS' DEFICIT:		
Preferred stock, $.001 par value, 5,000,000 shares authorized, 0 shares issued and outstanding	-	-
Common stock, $.001 par value, 70,000,000 shares authorized, 36,443,119 shares issued and outstanding at March 31, 2016 and December 31, 2015	36,443	36,443
Additional paid-in capital	117,605	114,570
Accumulated deficit	(318,542)	(307,306)
TOTAL STOCKHOLDERS' DEFICIT	(164,494)	(156,293)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 108	$ 1,795

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

CHINA HERB GROUP HOLDINGS CORPORATION
STATEMENTS OF OPERATIONS

	For the Three Months Ended March 31,	
	2016	2015
	(Unaudited)	(Unaudited)
Revenues	$ -	$ -
Operating Expenses:		
General and administrative	1,601	432
Legal fees	-	20,025
Accounting fees	6,250	1,500
Transfer agent fees	350	600
Total Operating Expenses	8,201	22,557
Loss from Operations	(8,201)	(22,557)
Other Expense:		
Interest expense - related parties	(3,035)	(1,569)
Total Other Expense	(3,035)	(1,569)
Net Loss	$ (11,236)	$ (24,126)
Net loss per common share, basic and diluted	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding:		
Basic and diluted	36,443,119	36,443,119

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

CHINA HERB GROUP HOLDINGS CORPORATION
STATEMENTS OF CASH FLOW

	For the Three Months Ended March 31, 2016 (Unaudited)	For the Three Months Ended March 31, 2015 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (11,236)	$ (24,126)
Adjustments to reconcile net loss to net cash used in operating activities:		
Imputed interest on related parties loans	3,035	1,569
Changes in operating assets and liabilities:		
Increase in prepaid expenses	-	(300)
Increase in accounts payable	3,164	6,679
NET CASH USED IN OPERATING ACTIVITIES	(5,037)	(16,178)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from loans from officer	3,350	17,146
NET CASH PROVIDED BY FINANCING ACTIVITIES	3,350	17,146
NET (DECREASE) INCREASE IN CASH	(1,687)	968
Cash, beginning of period	1,795	2,122
Cash, end of period	$ 108	$ 3,090
SUPPLEMENTAL DISCLOSURES:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -

The accompanying notes to the unaudited financial statements are an integral part of these statements

CHINA HERB GROUP HOLDINGS CORPORATION
NOTES TO UNAUDITED FINANCIAL STATEMENTS
MARCH 31, 2016
(UNAUDITED)

NOTE 1 - Organization

China Herb Group Holdings Corporation (the "Company") was incorporated under the name "Island Radio, Inc" under the laws of the State of Nevada on June 28, 2010.

On June 27, 2012, Eric R. Boyer and Nina Edstrom (collectively, the "Sellers"), who were then the major shareholders of the Company, entered into a Share Purchase Agreement with Chin Yung Kong, Qiuping Lu and Fumin Feng (collectively, the "Purchasers"), pursuant to which the Sellers sold to the Purchasers an aggregate 4,000,000 shares of the common stock of the Company, which represented approximately 93% of the then total issued and outstanding stock of the Company, for a total purchase price of $159,970 (the "Change in Control"). As result of this share purchase transaction, Chin Yung Kong, Qiuping Lu and Fumin Feng became the controlling shareholders of the Company.

The Company's original business plan was to become a commercial FM radio broadcaster. Subsequently, following the Change in Control, the Company changed its business plan and intended to become a medical and spa company with a focus on Asia. However, after consultation with its professional and business advisors in the United States and the People's Republic of China, the Company's management decided during the third quarter of 2014 that this would no longer be its plan of operations. The Company's plan of operations is to evaluate various industries, geographic and market opportunities. This may take the form of acquiring a business, being acquired by an existing business or developing a business organically. Any such efforts may require significant capital, which the Company currently lacks. There is no assurance that any such opportunity will become available. There is also no assurance that, if any opportunity becomes available, the Company will have the financial and other resources available to take advantage of such opportunity, since the Company's has extremely limited liquidity. Through March 31, 2016, the Company has no revenues or operation.

NOTE 2 - Summary of Significant Accounting Policies

Unaudited Interim Financial Information

The accompanying balance sheets as of March 31, 2016, statements of operations for the three months ended March 31, 2016 and 2015, and the statements of cash flows for the three months ended March 31, 2016 and 2015, are unaudited. These unaudited interim financial statements have been prepared in accordance with accounting principles accepted in the United States of America ("U.S. GAAP"). In the opinion of the Company's management, the unaudited interim financial statements have been prepared on the same basis as the audited financial statements and included all adjustments necessary for the fair presentation of the Company's statement of financial position at March 31, 2016 and its results of operations and its cash flows for the periods ended March 31, 2016. The results for the period ended March 31, 2016 are not necessarily indicative of the results to be expected for the fiscal year ending December 31, 2016.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with U.S. GAAP for financial information and in accordance with Regulation S-X promulgated by the Securities and Exchange Commission (the "SEC"). They reflect all adjustments which are, in the opinion of the Company's management, necessary for a fair presentation of the financial position as of March 31, 2016 and operating results for the three months ended March 31, 2016 and 2015.

Use of Estimates

The accompanying financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. Actual results may vary from these estimates.

Fair Value of Financial Instruments

ASC 820, "Fair Value Measurements" and ASC 825, Financial Instruments, requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. It establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. It prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

As of March 31, 2016 and December 31, 2015, the Company believes that the recorded values of all of its financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

Description	Level 1	Level 2	Level 3	Total Realized Loss
March 31, 2016	-	-	-	-
December 31, 2015	-	-	-	-
Total	-	-	-	-

ASC 825-10 “Financial Instruments”, allows entities to voluntarily choose to measure certain financial assets and liabilities at fair value (fair value option). The fair value option may be elected on an instrument-by-instrument basis and is irrevocable, unless a new election date occurs. If the fair value option is elected for an instrument, unrealized gains and losses for that instrument should be reported in earnings at each subsequent reporting date. The Company did not elect to apply the fair value option to any outstanding instruments.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. As of March 31, 2016 and December 31, 2015, the Company had no cash equivalents.

Income Taxes

Deferred income tax assets and liabilities arise from temporary differences associated with differences between the financial statements and tax basis of assets and liabilities, as measured by the enacted tax rates, which are expected to be in effect when these differences reverse. Deferred tax assets and liabilities are classified as current or non-current, depending upon the classification of the assets or liabilities to which they relate. Deferred tax assets and liabilities not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company follows the provisions of FASB ASC 740-10 “Uncertainty in Income Taxes” (ASC 740-10). Certain recognition thresholds must be met before a tax position is recognized in the financial statements. An entity may only recognize or continue to recognize tax positions that meet a "more-likely-than-not" threshold. As of March 31, 2016 and December 31, 2015, the Company does not believe it has any uncertain tax positions that would require either recognition or disclosure in the accompanying financial statements.

Loss per Share Calculation

Basic net loss per common share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per shares is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. During the three months ended March 31, 2016 and 2015, the Company had no dilutive financial instruments issued or outstanding.

Recent Accounting Pronouncements

Accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the financial statements upon adoption. The Company does not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to its financial condition, results of operations, cash flows or disclosures.

NOTE 3 - Going Concern

The Company has minimal operations, and as such has devoted most of its efforts since its inception to developing its business plan, issuing common stock, attempting to raise capital, establishing its accounting systems and other administrative functions.

As of March 31, 2016, the Company had $108 in cash and has been funding its working capital needs from loans from related parties. The Company is seeking sources of funding. Without limiting its available options, future equity financings will most likely be through the sale of additional shares of its common stock. It is possible that the Company could also offer warrants, options and/or rights in conjunction with any future issuances of its common stock. However, the Company can give no assurance that financing will be available to it, and if available, in amounts or on terms acceptable to the Company.

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United State of America, which contemplate continuation of the Company as a going concern. The Company has not established a source of revenues sufficient to cover its operating costs, and as such, has incurred an operating loss since its inception. Further, as of March 31, 2016, the Company had an accumulated deficit and stockholders' deficit of $(318,542) and $(164,494), respectively. These and other factors raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments or classifications that may result from the possible inability of the Company to continue as a going concern.

NOTE 4 - Related Parties Transactions

Related Parties Loans

In year 2013, Chin Yung Kong, the director and shareholder of the Company, advanced $20,000 to the Company for working capital purposes. These working capital advances of $20,000 are payable on demand and, at March 31, 2016 and December 31, 2015, reflected as related parties loans on the accompanying balance sheets.

Starting from year 2014, Qiuping Lu, President, CEO, director and shareholder of the Company, advanced funds to the Company for working capital purposes. These working capital advances are payable on demand. As of March 31, 2016 and December 31, 2015, these working capital advances amounted to $137,098 and $133,748, respectively, are reflected as related parties' loans on the accompanying balance sheets.

During the three months ended March 31, 2016 and 2015, in connection with these related parties loans, the Company imputed interest of $3,035 and $1,569, respectively, and recorded interest expense and an increase in additional paid-in capital.

NOTE 5 – Stockholders' Equity (Deficit)

Preferred Stock

The total number of preferred shares authorized that may be issued by the Company is 5,000,000 shares with a par value of $0.001 per share.

As of March 31, 2016 and December 31, 2015, the Company had no shares of its preferred stock issued and outstanding.

Common Stock

The total number of common shares authorized that may be issued by the Company is 70,000,000 shares with a par value of $0.001 per share.

As of March 31, 2016 and December 31, 2015, the Company had 36,443,119 shares of its common stock issued and outstanding.

NOTE 6 - Commitment

On April 4, 2014 the Company entered into a memorandum of understanding (the "MOU") with Dr. Kiril Pandelisev and Yan Lawrence. Under the MOU, Dr. Pandelisev and Ms. Lawrence were to provide certain services to the Company and the Company was to have issued 10% of the issued and outstanding shares of the Company's common stock to each of Dr. Pandelisev and Ms. Lawrence upon the completion of a reverse merger with a previously identified operating company, which reverse merger did not and will not take place. Pursuant to ASC 505-50, the Company did not recognize any expense during the period since the issuance of these shares is contingent upon the completion of a specific merger. Accordingly, no performance commitment has been reached nor has performance been completed.

NOTE 7 – Subsequent Event

The Company has evaluated subsequent events from the balance sheet date through the date the financial statements were issued and has determined there are no additional events required to be disclosed.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

We have limited operations and are not currently generating any revenues from our business operations. Our independent registered public accounting firm has issued a going concern opinion for the year ended December 31, 2015. This means that our auditors believe there is substantial doubt that we can continue as an on-going business for the next 12 months. We do not anticipate generating significant revenues until we acquire a business, are acquired by an existing business or develop a business organically. Accordingly, we must raise additional cash from sources other than operations.

We presently are exploring other such sources of funding, including raising funds through a public offering, a private placement of securities, debt or a combination of the foregoing. If we are unable to raise additional capital, we will either have to suspend operations until we do raise the cash or cease operations entirely.

The following discussion should be read in conjunction with our Financial Statements and the notes thereto and the other information included in this Annual Report as filed with the SEC on Form 10-K.

Overview

Our original business plan was to become a commercial FM radio broadcaster. Subsequently, following a change in control, we changed our business plan and intended to become a medical and spa company with a focus on Asia. However, after consultation with our professional and business advisors in the United States and the People's Republic of China, management decided during the third quarter of 2014 that this would no longer be our plan of operations. Our plan of operations is to evaluate various industries, and geographic and market opportunities. This may take the form of acquiring a business, being acquired by an existing business or developing a business organically. Any such efforts may require significant capital, which we currently lack. There is no assurance that any such opportunity will become available. There is also no assurance that, if any opportunity becomes available, we will have the financial and other resources available to take advantage of such opportunity, since we have extremely limited liquidity. Through March 31, 2016, we had no revenues or operations.

Results of Operations

Three Months Ended March 31, 2016 and 2015

Revenues. As of March 31, 2016, we had not generated any revenues.

Operating Expenses. For the three months ended March 31, 2016, total operating expenses amounted to $8,201 as compared to $22,557 for the three months ended March 31, 2015, a decrease of $14,356 or 63.6%. Since inception, our operating expenses primarily consisted of fees and expenses related to complying with our ongoing SEC reporting requirements, which have primarily consisted of legal fees, accounting fees, transfer agent fees, filing fees, and consulting fees.

Other expenses. During the three months ended March 31, 2016 and 2015, we recorded $3,035 and $1,569, respectively, in imputed interest expense related to advances outstanding to related parties. These imputed interests were recorded in our financial statements under additional paid-in capital.

Net Loss. During the three months ended March 31, 2016 and 2015, we had a net loss of $11,236 and $24,126, respectively.

Liquidity and Capital Resources

As of March 31, 2016, we had cash of $108, had liabilities of $164,602, and had a working capital deficit of $164,494. We expect to incur continued losses during the remainder of 2016, possibly even longer until we commence operations and those operations are profitable.

For the three months ended March 31, 2016 and 2015, net cash used in operating activities amounted to $5,037 and $16,178, respectively. We expect to require working capital of approximately $50,000 over the next 12 months to meet our financial obligations.

For the three months ended March 31, 2016 and 2015, net cash provided by financing activities amounted to $3,350 and $17,146, respectively. For the three months ended March 31, 2016 and 2015, we received proceeds from loans from officer of $3,350 and $17,146, respectively, for working capital purposes.

We have not generated any revenues from operations to date. It is not likely that we will generate any revenue until at least a business combination has been consummated. Even following a business combination, there is no guarantee that any revenues will be generated or that any revenues will be sufficient to meet our expenses. We may consider a business combination with a target company which itself has recently commenced operations, is a developing company in need of additional funds for expansion into new products or markets, is seeking to develop one or more new products or services, or is an established business which may be experiencing financial or operating difficulties and is in need of additional capital.

Moreover, any target business that is selected may be financially unstable or in the early stages of development or growth, including businesses without established records of sales or earnings. In that event, we will be subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies. In addition, we may effect a business combination with a target company in an industry characterized by a high level of risk, and, although our management will endeavor to evaluate the risks inherent in a particular target company, there can be no assurance that we will properly ascertain or assess all significant risks.

The foregoing considerations raise substantial doubt about our ability to continue as a going concern. We are currently planning on devoting the vast majority of our efforts to identifying, investigating and conducting due diligence on target companies; and negotiating, structuring, documenting and consummating a business combination. Our long-term ability to continue as a going concern is dependent upon our ability to develop additional sources of capital, complete a business combination and, thereafter, achieve profitable operations.

We believe that we will be able to meet these costs through cash on hand and additional amounts, as may be necessary, to be loaned by or invested in us by our stockholders, management and/or others. Currently, however, our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Our ability to continue as a going concern is also dependent on our ability to find a suitable target company and enter into a business combination. Management's plan includes obtaining additional funds through a combination of sales of our equity securities before, contemporaneously with, or following, the consummation of a business combination; and borrowings, although we do not believe that we will be eligible to borrow funds from a bank until at least a business combination is consummated. However, here is no assurance that any additional funding will be available on terms that are favorable to us or at all.

We currently rely on loans from our sole director and officer, Qiuping Lu, to meet our expenses. There is no guarantee that Ms. Lu will continue to lend us funds to meet our expenses in the future. Currently, we do not have any other arrangements for financing. We have no assurance that future financing will be available to us on acceptable terms, or at all. If financing is not available to us on satisfactory terms or at all, we may be unable to develop operations or meet our expenses. Additionally, any equity financing in which we might engage would result in dilution to our existing shareholders.

During the three months ended March 31, 2016 and 2015, Ms. Lu, the sole director and officer of us, advanced an aggregate $3,350 and $17,146, respectively, to us to pay some of our expenses and for working capital purposes. These advances in the aggregate amounts of $137,098 and $133,748, respectively, at March 31, 2016 and December 31, 2015, are payable on demand and are reflected as related parties loans on the accompanying balance sheets.

Imputed interest of $3,035 and $1,569 was recorded for the three months ended March 31, 2016 and 2015, respectively, and the imputed interest was recorded as interest expense and an increase in additional paid-in capital, respectively.

Going Concern Consideration

Our independent registered public accounting firm has issued a going concern opinion in their audit report dated March 30, 2016, which can be found in our Annual Report on Form 10-K filed with the SEC on March 30, 2016. This means that our auditors believe there is substantial doubt that we can continue as an on-going business for the next 12 months. Our financial statements found within this Quarterly Report on Form 10-Q and the aforementioned Annual Report on Form 10-K contain additional note disclosures describing the circumstances that lead to this disclosure by our independent auditors.

Contractual Obligations

On April 4, 2014, we entered into a memorandum of understanding (the "MOU") with two business consultants. Under the MOU, the consultants were to provide certain services to the Company and the Company was to have issued 10% of the issued and outstanding shares of our common stock to each consultant upon the completion of a reverse merger with a previously identified operating company, which reverse merger did not and will not take place. Pursuant to ASC 505-50, we did not recognize any expense during the period since the issuance of these shares of common stock was contingent upon the completion of a specific merger. Accordingly, no performance commitment has been reached nor has performance been completed.

As of March 31, 2016, we had no contractual obligations.

Off –Balance Sheet Operations

As of March 31, 2016, we had no off-balance sheet activities or operations.

Critical Accounting Policies

The accompanying financial statements have been prepared in accordance with United States Generally Accepted Accounting Principles (US GAAP) for financial information and in accordance with the Securities and Exchange Commission's (SEC) Regulation S-X. We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of the unaudited financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting periods. Because of the use of estimates inherent in the financial reporting process, actual results may differ significantly from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, we consider highly liquid financial instruments purchased with a maturity of three months or less to be cash equivalents. As of March 31, 2016 and December 31, 2015, we had no cash equivalents.

Fair Value of Financial Instruments

ASC 820, "Fair Value Measurements" and ASC 825, Financial Instruments, requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. It establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. It prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

As of March 31, 2016 and December 31, 2015, we believe that the recorded values of all of our financial instruments approximate their current fair values because of their nature and respective maturity dates or durations.

Net Loss per Share Calculation

Basic net loss per common share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares outstanding for the period. Diluted earnings per shares is computed similar to basic loss per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. During the periods presented, we had no dilutive financial instruments issued or outstanding.

Income Taxes

We account for income taxes pursuant to FASB ASC 740, "Income Taxes". Under FASB ASC 740-10-25, deferred tax assets and liabilities are determined based on temporary differences between the bases of certain assets and liabilities for income tax and financial reporting purposes. The deferred tax assets and liabilities are classified according to the financial statement classification of the assets and liabilities generating the differences.

We maintain a valuation allowance with respect to deferred tax assets. We establish a valuation allowance based upon the potential likelihood of realizing the deferred tax asset and taking into consideration our financial position and results of operations for the current period. Future realization of the deferred tax benefit depends on the existence of sufficient taxable income within the carry-forward period under the Federal tax laws.

Changes in circumstances, such as us generating taxable income, could cause a change in judgment about its ability to realize the related deferred tax asset. Any change in the valuation allowance will be included in income in the year of the change in estimate.

Recently Issued Accounting Pronouncement

Accounting standards that have been issued or proposed by FASB that do not require adoption until a future date are not expected to have a material impact on the financial statements upon adoption. We do not discuss recent pronouncements that are not anticipated to have an impact on or are unrelated to our financial condition, results of operations, cash flows or disclosures.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures.

As of the end of the period covered by this report, we conducted an evaluation under the supervision and with the participation of our chief executive officer and principal accounting officer of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Exchange Act).

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be presented or detected on a timely basis.

Based on management's assessment, we have concluded that, as of March 31, 2016, our disclosure controls and procedures were not effective in timely alerting management to the material information relating to us required to be included in our annual and interim filings with the SEC.

Our chief executive officer and principal financial officer have concluded that our disclosure controls and procedures had the following material weaknesses:

- We were unable to maintain any segregation of duties within our financial operations due to our reliance on limited personnel in the finance function. While this control deficiency did not result in any audit adjustments to our 2015 interim or annual financial statements, it could have resulted in a material misstatement that might have been prevented or detected by a segregation of duties;

- We lack sufficient resources to perform the internal audit function and does not have an Audit Committee;

- We do not have an independent Board of Directors, nor do we have a board member designated as an independent financial expert. The Board of Directors is comprised of one (1) member who is also our only executive officer. As a result, there is a lack of independent oversight of the management team, lack of independent review of our operating and financial results, and lack of independent review of disclosures made by us; and

- Documentation of all proper accounting procedures is not yet complete.

These weaknesses were identified in our Annual Report on Form 10-K for the year ended December 31, 2015. These weaknesses have existed since our inception on June 28, 2010 and, as of March 31, 2016, have not been remedied.

To the extent reasonably possible given our limited financial and personnel resources, we intend to take measures to cure the aforementioned material weaknesses, including, but not limited to, the following:

- Consider the engagement of consultants to assist in ensuring that accounting policies and procedures are consistent across the organization and that we have adequate control over financial statement disclosures;

- Hire additional qualified financial personnel, including a Chief Financial Officer, on a full-time basis;

- Expand our board of directors to include additional independent individuals willing to perform directorial functions; and

- Increase our workforce in preparation for commencing revenue producing operations.

Since the recited remedial actions will require that we hire or engage additional personnel, these material weaknesses may not be overcome in the near-term due to our limited financial resources. Until such remedial actions can be realized, we will continue to rely on the limited advice of outside professionals and consultants.

Changes in Controls and Procedures

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

PART II - OTHER INFORMATION

ITEM1. LEGAL PROCEEDINGS

We are not currently a party to any lawsuit or proceeding which, in the opinion of management, is likely to have a material adverse effect on us or our business.

ITEM 1A. RISK FACTORS

Not applicable for smaller reporting companies.

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

None.

ITEM 6. EXHIBITS

(a) Exhibits

31.1*	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 and Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934
31.2*	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 and Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934
32.1*	Certification of Periodic Financial Report by the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* filed herewith

SIGNATURES

Pursuant to the requirements 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.

China Herb Group Holdings Corporation
(Registrant)

Date: May 2, 2016

By: /s/ QIUPING LU
Qiuping Lu
President, Chief Executive Officer and
Chief Financial Officer