

# CASTLE HOLDING CORP

## **FORM 10-K** (Annual Report)

Filed 10/31/16 for the Period Ending 09/30/16

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Telephone	5168682000
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Sector	Financials
Fiscal Year	09/30

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

FORM 10-K

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

For the fiscal year ended September 30, 2016

Commission file number 33-37809-NY

**CASTLE HOLDING CORP.**

(Exact Name of Registrant as Specified in Its Charter)

Nevada

(State or Other Jurisdiction  
of Incorporation or Organization)

77-0121957

(I.R.S. Employer  
Identification No.)

**111 West Sunrise Highway, Second Floor East  
Freeport, NY 11520  
(516)-378-1000**

(Address of Principal Executive Offices, Zip Code & Telephone Number)

Securities registered pursuant to Section 12(b) of the Act:  
**None**

Securities registered pursuant to section 15(d) of the Act:  
**Common Stock, \$0.0025 par value**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☒ No ☐

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 Regulation S-T (ss.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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

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. (Check one):

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

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 ☒

The aggregate market value of the 9,648,340 shares of common stock held by non-affiliates of the Registrant (based on the \$0.11 last reported price on the OTC Markets) on March 31, 2016 was \$1,061,317.

As of October 28, 2016, the registrant had 47,003,510 shares of common stock issued and 46,414,710 shares of common stock outstanding, as well as 522,250 Class A Convertible preferred shares issued and outstanding and 100,000 Class B preferred shares issued and outstanding.

## **EXPLANATORY NOTE**

Castle Holding Corp. ("CHOD") previously voluntarily filed quarterly and annual reports up to and including the quarterly period ended June 30, 2002. Commencing with the Form 10-K for the annual period ended September 30, 2013, CHOD has resumed voluntary filings of quarterly and annual reports.

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## **PART I**

### **ITEM 1. BUSINESS**

#### **GENERAL INFORMATION**

Castle Holding Corp. (“CHOD”) is a holding company which was incorporated in Nevada on June 13, 1986. On September 30, 1987, CHOD acquired Castle Securities Corp., a New York corporation which operated as a securities broker dealer from November 1, 1985 to October 31, 2003. On April 11, 1991, CHOD formed Church Street Securities Corp., a New York corporation which operated as a securities broker dealer from October 26, 1995 to January 6, 2005. Since January 2005, CHOD and its subsidiaries have had minimal business operations and operating revenues. Commencing July 2015, CHOD’s subsidiary SAS Health and Beauty Corp. (“SAS”) has engaged in the production and sales of a skin care product called SAS Flower of Youth Facial Lift Spray.

On November 20, 2014, pursuant to a Stock Purchase Agreement involving a change in control of CHOD, CHOD was assigned a License Agreement between Cappello’s Inc. (“Cappello’s”) and Emergent Health Corporation (“EMGE”) dated August 26, 2014. On April 28, 2016, as a result of EMGE’s failure to pay CHOD royalties due under the License Agreement, the License Agreement was terminated and rights to the Licensed Products reverted to CHOD.

Through its subsidiary SAS, the Company plans to pursue the manufacturing and marketing of the Licensed Products. The products relate to a line of stem cell nutrition and anti-aging ones which are patented and were well accepted by those familiar with these latest sectors in nutritional supplementation. The Company plans to launch these products in 2017.

#### **ITEM 1A. RISK FACTORS**

Not Applicable.

### **ITEM 2. PROPERTIES**

We do not currently own any property. The Company’s offices are located at 111 West Sunrise Highway, Freeport, NY 11520 and 10120 Valley Forge Circle, King of Prussia, Pennsylvania, 19406. The Freeport office space is provided by Michael T. Studer CPA P.C., a public accounting firm owned by Michael T. Studer, our Treasurer and a director, at no cost to the Company. The King of Prussia office space is being provided by EMGE at no cost to the Company; management of the Company is currently working with EMGE to revive its business model and become viable.

### **ITEM 3. LEGAL PROCEEDINGS**

We are not currently involved in any legal proceedings nor do we have any knowledge of any threatened litigation.

### **ITEM 4. MINE SAFETY DISCLOSURES**

Not Applicable.

**PART II****ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.**

- Market Information .*

The Company's Common Stock, \$.0025 par value, is traded in the over-the-counter market under the symbol "CHOD". Our common stock is quoted on the OTC Pink marketplace operated by OTC Markets Group. The following table sets forth the range of high and low trading prices for Common Stock as reported on the OTC Pink marketplace for each quarter during the last two fiscal years.

<b>Fiscal Year ended September 30, 2016</b>	<b>High</b>	<b>Low</b>
Quarter ended December 31, 2015	\$ 0.18	\$ 0.07
Quarter ended March 31, 2016	\$ 0.13	\$ 0.06
Quarter ended June 30, 2016	\$ 0.11	\$ 0.08
Quarter ended September 30, 2016	\$ 0.18	\$ 0.045

<b>Fiscal Year ended September 30, 2015</b>	<b>High</b>	<b>Low</b>
Quarter ended December 31, 2014	\$ 0.60	\$ 0.23
Quarter ended March 31, 2015	\$ 0.23	\$ 0.16
Quarter ended June 30, 2015	\$ 0.23	\$ 0.14
Quarter ended September 30, 2015	\$ 0.12	\$ 0.035

The Company's Class A Convertible Preferred Stock and Class B Preferred Stock are not publicly traded or quoted.

- Holders of Common Stock and Preferred Stock .*

As of October 28, 2016, the number of holders of record of the Company's common stock was approximately 250. The number of holders of record of the Company's Class A Convertible Preferred Stock was approximately 90. The number of holders of record of the Company Class B Preferred Stock was 1.

- Dividends .*

Registrant has paid no cash dividends and has no present plan to pay cash dividends, intending instead to reinvest its earnings, if any. However, payment of future cash dividends will be determined from time to time by its Board of Directors, based upon its future earnings, financial condition, capital requirements and other factors.

- Securities Authorized for Issuance under Equity Compensation Plans*

None.

- Recent Sales of Unregistered Securities*

None for the quarterly period ended September 30, 2016.

- *Issuer Purchases of Equity Securities*

None for the quarterly period ended September 30, 2016.

We presently have no publicly announced repurchase plan or program to purchase our Common Stock or Series A Convertible Preferred Stock.

**ITEM 6. SELECTED FINANCIAL DATA.**

Not applicable.

**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

General

Castle Holding Corp. ("CHOD") is a holding company which was incorporated in Nevada on June 13, 1986. On September 30, 1987, CHOD acquired Castle Securities Corp., a New York corporation which operated as a securities broker dealer from November 1, 1985 to October 31, 2003. On April 11, 1991, CHOD formed Church Street Securities Corp., a New York corporation which operated as a securities broker dealer from October 26, 1995 to January 6, 2005. Since January 2005, CHOD and its subsidiaries have had minimal business operations and operating revenues. Commencing July 2015, CHOD's subsidiary SAS Health and Beauty Corp. ("SAS") has engaged in the production and sales of a skin care product called SAS Flower of Youth Facial Lift Spray.

On November 20, 2014, pursuant to a Stock Purchase Agreement involving a change in control of CHOD, CHOD was assigned a License Agreement between Cappello's Inc. ("Cappello's") and Emergent Health Corporation ("EMGE") dated August 26, 2014. On April 28, 2016, as a result of EMGE's failure to pay CHOD royalties due under the License Agreement, the License Agreement was terminated and rights to the Licensed Products reverted to CHOD.

Through its subsidiary SAS, the Company plans to pursue the manufacturing and marketing of the Licensed Products. The products relate to a line of stem cell nutrition and anti-aging ones which are patented and were well accepted by those familiar with these latest sectors in nutritional supplementation. The Company plans to launch these products in 2017.

Results of Operations – Year ended September 30, 2016 compared to Year ended September 30, 2015.

Sales increased \$4,218 from \$4,167 in 2015 to \$8,385 in 2016 (all from sales of the SAS Flower of Youth Facial Lift Spray product, which was launched in the three months ended September 30, 2015).

Cost of sales decreased \$383 from \$1,629 in 2015 to \$1,246 in 2016 (all from sales of the SAS Flower of Youth Facial Lift Spray).

Gross profit increased \$4,601 from \$2,538 in 2015 to \$7,139 in 2016 (all from sales of the SAS Flower of Youth Facial Lift Spray). The gross profit percentage of sales in 2015 and 2016 was approximately 61% and 85%, respectively.

Total operating expenses increased \$40,426 from \$17,336 in 2015 to \$57,762 in 2016. The increase was primarily due to higher consulting and investor relation fees incurred in 2016 compared to 2015.

Other expense – net increased \$39,254 from \$188,674 in 2015 to \$227,928 in 2016. The impairment of investment in Emergent Health Corporation common stock increased \$10,000 from \$90,000 in 2015 to \$100,000 in 2016. The net loss on marketable securities increased \$34,387 from \$117,066 in 2015 to \$151,453 in 2016. For both periods, substantially all of the marketable securities were invested in Medallion Financial Group (MFIN) common stock which price per share fell from \$11.66 at September 30, 2014 to \$7.58 at September 30, 2015 to \$4.22 at September 30, 2016.

Net loss increased \$75,079 from \$203,472 in 2015 to \$278,551 in 2016. The increase was due to the \$40,426 increase in operating expenses and the \$39,254 increase in other expense-net, offset partially by the \$4,601 increase in gross profit.

#### Liquidity and Capital Resources

At September 30, 2016, the Company had cash and cash equivalents of \$41,643, total assets of \$275,412, total liabilities of \$38,617, and total stockholders' equity of \$236,795. Of the \$275,412 total assets at September 30, 2016, \$135,040 represents the quoted value of 32,000 shares MFIN common stock and \$60,000 represents the carrying value of 2,000,000 restricted shares of Emergent Health Corporation (EMGE) common stock.

Cash and cash equivalents decreased \$24,326 from \$65,969 at September 30, 2015 to \$41,643 at September 30, 2016. The \$24,326 decrease was due primarily to the \$278,551 net loss offset by the \$100,000 noncash impairment of investment in EMGE common stock, the \$132,058 decrease in marketable securities, and the \$19,751 increase in margin liability to broker.

The Company currently has no agreements, arrangements or understandings with any person to obtain funds through bank loans, lines of credit or any other sources.

We currently have no commitments with any person for any capital expenditures.

We have no off-balance sheet arrangements.



## ITEM 8. FINANCIAL STATEMENTS

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Consolidated Statements of Financial Condition**  
**(Unaudited)**

	September 30, 2016	September 30, 2015
<b><u>Assets</u></b>		
Cash and cash equivalents	\$ 41,643	\$ 65,969
Marketable securities, at market value	140,362	219,920
Inventory	3,405	3,109
Investment in Emergent Health Corporation common stock	60,000	160,000
License agreement with Emergent Health Corporation	30,000	30,000
Other assets	2	952
	<u>          </u>	<u>          </u>
Total assets	<u>\$ 275,412</u>	<u>\$ 479,950</u>
<b><u>Liabilities and Stockholders' Equity</u></b>		
Liabilities:		
Margin liability to broker	\$ 19,751	\$ -
Accounts payable and accrued expenses	785	1,223
Loans payable to affiliates	18,081	18,081
	<u>          </u>	<u>          </u>
Total liabilities	<u>38,617</u>	<u>19,304</u>
Stockholders' equity:		
Preferred stock, \$.01 par value; authorized 8,900,000 and 8,900,000 shares, respectively; none issued and outstanding	-	-
Class A Convertible Preferred stock, \$.01 par value; authorized 1,000,000 shares, issued and outstanding 522,250 and 522,250 shares, respectively;	5,223	5,223
Class B Preferred stock, \$.01 par value; authorized 100,000 shares, issued and outstanding 100,000 and 100,000 shares, respectively	1,000	1,000
Common stock, \$.0025 par value; authorized 200,000,000 shares, issued 47,003,510 and 44,983,510 shares, respectively (net of 261,000 shares "stopped" and requested to be cancelled)	117,509	112,459
Treasury common stock - 588,800 and 588,800 shares, respectively - at cost	(32,620)	(32,620)
Additional paid-in capital	1,883,177	1,833,527
Accumulated deficit	(1,737,494)	(1,458,943)
Total stockholders' equity	<u>236,795</u>	<u>460,646</u>
	<u>          </u>	<u>          </u>
Total liabilities and stockholders' equity	<u>\$ 275,412</u>	<u>\$ 479,950</u>

See notes to consolidated financial statements.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Consolidated Statements of Operations**  
**(Unaudited)**

	<b>Year Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Sales	\$ 8,385	\$ 4,167
Cost of sales	1,246	1,629
Gross profit	7,139	2,538
Selling expenses	4,065	1,458
General and administrative expenses	53,697	15,878
Total operating expenses	57,762	17,336
Income (loss) from operations	(50,623)	(14,798)
Other income (expense):		
Interest and dividends revenues	23,351	28,421
Royalties revenues	572	-
Net gain (loss) on marketable securities	(151,453)	(117,066)
Impairment of investment in Emergent Health Corporation common stock	(100,000)	(90,000)
Issuance of 100,000 shares of Class B Preferred Stock in connection with the receipt of a \$15,000 loan	-	(10,000)
Interest expense	(398)	(31)
Total other income (expense) - net	(227,928)	(188,674)
Income (loss) before income taxes	(278,551)	(203,472)
Provision for income taxes	-	-
Net income (loss)	\$ (278,551)	\$ (203,472)
Net income (loss) per common share:		
Basic	\$ (0.01)	\$ (0.00)
Diluted	\$ (0.01)	\$ (0.00)
Weighted average number of common shares outstanding:		
Basic	45,550,049	43,266,630
Diluted	46,072,299	43,877,380

See notes to consolidated financial statements.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Stockholders' Equity**  
**For the Years Ended September 30, 2015 and 2016**  
**(Unaudited)**

	Class A Convertible Preferred Stock, \$01 Par Value		Class B Preferred Stock, \$01 Par Value		Common Stock, \$0.0025 Par Value		Treasury Common Stock, \$0.0025 Par Value		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Balances, September 30, 2014	699,250	\$ 6,993	-	\$ -	37,629,510	\$ 94,074	(588,800)	\$ (32,620)	\$ 1,516,142	\$ (1,235,563)	\$ 349,026
Spin-off of Castle Advisors Inc. effective November 17, 2014	-	-	-	-	-	-	-	-	-	(19,908)	(19,908)
Issuance of common shares on November 20, 2014 for:											
Cash	-	-	-	-	3,000,000	7,500	-	-	37,500	-	45,000
2,000,000 restricted shares, Emergent Health Corporation ("EMGE") common stock	-	-	-	-	2,000,000	5,000	-	-	245,000	-	250,000
Rights to license agreement between Cappello's Inc, and Emergent Health Corporation	-	-	-	-	2,000,000	5,000	-	-	25,000	-	30,000
Conversion of Class A convertible preferred Stock on March 31, 2015	(177,000)	(1,770)	-	-	354,000	885	-	-	885	-	-

See notes to consolidated financial statements.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Consolidated Statements of Changes in Stockholders' Equity**  
**For the Years Ended September 30, 2015 and 2016**  
**(Unaudited)**

	Class A Convertible Preferred Stock, \$.01 Par Value		Class B Preferred Stock, \$.01 Par Value		Common Stock, \$.0025 Par Value		Treasury Common Stock, \$.0025 Par Value		Additional Paid-in Capital	Accumulated Deficit	Total Stock- holders' Equity
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
Issuance of Class B Preferred Stock effective June 1, 2015	-	-	100,000	1,000	-	-	-	-	9,000	-	10,000
Net loss	-	-	-	-	-	-	-	-	-	(203,472)	(203,472)
Balances, September 30, 2015	522,250	5,223	100,000	1,000	44,983,510	112,459	(588,800)	(32,620)	1,833,527	(1,458,943)	460,646
Issuance of common shares on April 1, 2016 for 1,500,000 free trading shares of Gold Mining USA Inc. ("GMUI") common stock	-	-	-	-	2,000,000	5,000	-	-	47,500	-	52,500
Issuance of common shares on May 5, 2016 for legal services rendered	-	-	-	-	20,000	50	-	-	2,500	-	2,200
Net loss	-	-	-	-	-	-	-	-	-	(278,551)	(278,551)
Balances, September 30, 2016	522,250	\$ 5,223	100,000	\$ 1,000	47,003,510	\$ 117,509	(588,800)	\$ (32,620)	\$ 1,883,177	\$ (1,737,494)	\$ 236,795

See notes to consolidated financial statements.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

	<b>Year Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Cash flows from operating activities:		
Net income (loss)	\$ (278,551)	\$ (203,472)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Issuance of common stock for legal services	2,200	-
Impairment of investment in Emergent Health Corporation common stock	100,000	90,000
Issuance of 100,000 shares of Class B Preferred Stock in connection with the receipt of a \$15,000 loan	-	10,000
Changes in operating assets and liabilities:		
Marketable securities	132,058	48,749
Inventory	(296)	(3,109)
Restricted cash and securities	-	55,803
Other assets	950	(950)
Margin liability to broker	19,751	(950)
Accounts payable and accrued expenses	(438)	1,107
Net cash provided by (used in) operating activities	(24,326)	(1,872)
Cash flows from investing activities	-	-
Cash flows from financing activities:		
Proceeds from sale of common shares	-	45,000
Proceeds of loans from affiliates	-	15,000
Reclassification from restricted cash and securities to cash and cash equivalents	-	7,110
Spin off of Castle Advisors, Inc.	-	(19,908)
Net cash used in financing activities	-	47,202
Net increase (decrease) in cash and cash equivalents	(24,326)	45,330
Cash and cash equivalents, beginning of period	65,969	20,639
Cash and cash equivalents, end of period	\$ 41,643	\$ 65,969
Supplemental disclosures of cash flow information:		
Interest paid	\$ 398	\$ 31
Income taxes paid	\$ -	\$ -

See notes to consolidated financial statements.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**(Unaudited)**

	<b>Year Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Non-cash investing and financing activities:		
Issuance of 2,000,000 shares of CHOD common stock in exchange for 1,500,000 free trading shares of Gold Mining USA Inc., (“GMUI”) common stock	\$ 52,500	\$ -
Issuance of 2,000,000 shares of CHOD common stock in exchange for 2,000,000 restricted shares of Emergent Health Corp. common stock	\$ -	\$ 250,000
Issuance of 2,000,000 shares of CHOD common stock in exchange for rights to license agreement between Cappello’s Inc. and Emergent Health Corporation	\$ -	\$ 30,000
Conversion of 177,000 shares of CHOD Class A convertible preferred stock into 354,000 shares of CHOD common stock	\$ -	\$ 1,770
Reclassification from restricted cash and securities to marketable securities	\$ -	\$ 268,540

See notes to consolidated financial statements.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**Years Ended September 30, 2016 and 2015**  
**(Unaudited)**

**1. ORGANIZATION**

Castle Holding Corp. (“CHOD”) is a holding company which was incorporated in Nevada on June 13, 1986. The subsidiaries of CHOD are as follows:

1. Castle Royalties Corp. (incorporated in New York April 11, 1991) – name changed from Church Street Securities Corp. on March 16, 2015; assignee of License Agreement with Emergent Health Corporation effective March 16, 2015 (see Note 6).
2. SAS Health and Beauty Corp. (incorporated in New York May 27, 1994) – name changed from Wall Street Indians, Ltd. on March 31, 2015; manufactures and markets a skin care product called SAS Flower of Youth Facial Lift Spray.
3. The Unlisted Stock Market Corporation (incorporated in New York December 9, 1999) – no operations from inception.
4. Shark Venture Capital Inc. (incorporated in Nevada December 22, 2014) – plans to engage in venture capital activities.

Effective November 17, 2014, CHOD spun off all of the shares of its then wholly owned subsidiary Castle Advisors, Inc. (“CAI”) to CHOD’s common stockholders of record as of the close of business on November 10, 2014. CAI, which was incorporated in New York December 23, 1993, acts as a financial consultant.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Principles of consolidation** – The consolidated financial statements include the accounts of CHOD and its subsidiaries (collectively, the “Company”). All significant intercompany balances and transactions have been eliminated in consolidation.

**Use of estimates** – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Cash and cash equivalents** The Company considers highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

**Marketable securities** Marketable securities consist of trading securities valued at market. All fair value measurements are based on Level 1 inputs (i.e., closing trading prices of respective marketable securities). Unrealized gains and losses are reflected in income ((\$149,598) and (\$118,181) for the years ended September 30, 2016 and 2015, respectively).

**Inventory** – Inventory is stated at the lower of cost (first-in, first-out method) or market (net realizable value). At September 30, 2016 and 2015, inventory consists of bottles of a skin care product called SAS Flower of Youth Facial Lift Spray and point of sales displays.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**Years Ended September 30, 2016 and 2015**  
**(Unaudited)**

Revenue recognition – Revenues are recognized upon delivery of the products, at which time title passes to the customer, provided that: there are no uncertainties regarding customer acceptance; persuasive evidence of an arrangement exists; the sales price is fixed or determinable; and collectability is deemed probable.

Income taxes – Income taxes are accounted for under the assets and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled.

Net income (loss) per common share – Basic net income (loss) per common share is calculated based upon the weighted average number of common shares outstanding. Diluted net income (loss) per common share is calculated based upon the weighted average number of common shares outstanding and dilutive convertible preferred shares outstanding.

Recent accounting pronouncements – Certain accounting pronouncements have been issued by the FASB and other standard setting organizations which are not yet effective and therefore have not yet been adopted by the Company. The impact on the Company's financial position and results of operations from adoption of these standards is not expected to be material.

### **3. MARKETABLE SECURITIES, AT MARKET VALUE**

At September 30, 2016 and September 30, 2015, marketable securities consist of:

	<b>September 30, 2016</b>	<b>September 30, 2015</b>
32,000 and 29,000 shares, respectively, Medallion Financial Group (MFIN)	\$ 135,040	\$ 219,820
1,400,000 and 0 shares, respectively, Gold Mining USA Inc. (GMUI)	5,222	-
Various	100	100
Total	<u>\$ 140,362</u>	<u>\$ 219,920</u>

On February 15, 2015, the majority stockholder and the Board of Directors approved the release of restrictions with respect to the cash and marketable securities held at CHOD accounts with TD Ameritrade Inc. and E Trade Securities LLC (see Note 7). Accordingly, we have reclassified the marketable securities included in “Restricted Cash and Securities, at Market Value” at September 30, 2014 to “Marketable Securities, at Market Value” commencing March 31, 2015.



**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**Years Ended September 30, 2016 and 2015**  
**(Unaudited)**

**4. INVESTMENT IN EMERGENT HEALTH CORPORATION COMMON STOCK**

On November 20, 2014, pursuant to a Stock Purchase Agreement involving a change in control of CHOD, CHOD acquired 2,000,000 restricted shares of Emergent Health Corporation (“EMGE”) common stock in exchange for the issuance of 2,000,000 restricted shares of CHOD common stock. The EMGE investment was initially valued at an estimated fair value of \$250,000. The closing trading price of EMGE free trading common stock at November 20, 2014 was \$0.49 per share.

At September 30, 2015, the Company recognized an impairment loss on the investment in EMGE common stock of \$90,000 and reduced the carrying value from \$250,000 to \$160,000. At December 31, 2015, the Company recognized an additional impairment loss on the investment in EMGE common stock of \$40,000 and reduced the carrying value from \$160,000 to \$120,000. At March 31, 2016, the Company recognized an additional impairment loss on the investment in EMGE common stock of \$40,000 and reduced the carrying value from \$120,000 to \$80,000. At September 30, 2016, the Company recognized an additional impairment loss on the investment in EMGE common stock of \$20,000 and reduced the carrying value from \$80,000 to \$60,000. The closing trading price of EMGE free trading common stock at September 30, 2015, December 31, 2015, March 31, 2016, and September 30, 2016 was \$0.08 per share, \$0.06 per share, \$0.04 per share, and \$0.03 per share, respectively.

**5. LICENSE AGREEMENT WITH EMERGENT HEALTH CORPORATION**

On November 20, 2014, pursuant to the Stock Purchase Agreement involving a change in control of CHOD, CHOD was assigned effective January 1, 2015 the License Agreement between Cappello’s, Inc, (Licensor) and EMGE (Licensee) dated August 26, 2014 (the “EMGE License Agreement”) in exchange for the issuance of 2,000,000 restricted shares of CHOD common stock. The EMGE License Agreement was valued at its estimated fair value of \$30,000 based upon 2014 royalties.

The EMGE License Agreement provided for Licensee’s payment of quarterly royalty payments to Licensor equal to 5% of the first \$1,000,000 of annual net sales of the Licensed Products, 4% of the next \$1,000,000 of annual net sales, 3% of the next \$1,000,000 of annual net sales, 2% of the next \$2,000,000 of annual net sales, and 1% of all additional annual net sales. The term of the EMGE License Agreement was to expire upon the expiration of the last to expire of the Patent Rights. In the event the Base Sales of any one or more of the Licensed Products did not increase by 15% per year over each prior calendar year (“Underperforming Licensed Products”) and the Licensee did not pay royalties based on 15% annual increases in Base Sales for the Underperforming Licensed Product(s), Licensor could terminate the license for such Underperforming Licensed Product(s) or convert the license from an exclusive license to a non-exclusive license for such Underperforming Licensed Product(s). During the term, Licensor was to keep Licensee informed of the progress of the Patent Rights in the U.S. Patent Office and was to direct and control all aspects of the prosecution and maintenance of the Patent Rights using patent counsel of its choice; Licensee was to pay all reasonable costs and fees attributable to the Patent Rights including patent maintenance fees, government fees and attorney fees.

On June 17, 2015, pursuant to a Swenson-Emergent Loan and Security Agreement, the Company consented to EMGE’s grant of a security interest in the License Agreement to a lender.

Based on the calendar year 2015 sales of the licensed products reported to CHOD by EMGE, the Company was entitled to royalties of \$18,528. However, the Company collected royalties of only \$572 from EMGE in 2015. Due to the uncertainty of future collections from EMGE, the Company has not recognized the remaining \$17,956 royalties due at December 31, 2015.

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**(Unaudited)**

EMGE did not report sales of the Licensed Products to CHOD in the first quarter 2016 or the second quarter 2016 and did not remit any royalties to CHOD. Due to the uncertainty of future collections from EMGE, the Company has not recognized any royalties due from EMGE for the six months ended June 30, 2016.

On April 28, 2016, CHOD notified EMGE that the EMGE License Agreement was terminated. The Company plans to pursue the manufacturing and marketing of the Licensed Products through its subsidiary SAS Health and Beauty Corp.

## **6. LOANS PAYABLE TO AFFILIATES**

Loans payable to affiliates consist of:

	<b>September 30, 2016</b>	<b>September 30, 2015</b>
SAS Health and Beauty Corp. Promissory Note due John V. Cappello, chief executive officer of the Company, non-interest bearing, due December 1, 2016	\$ 15,000	\$ 15,000
Loans payable to entities affiliated with president and treasurer of the Company, non-interest bearing, due on demand	3,081	3,081
<b>Total</b>	<b>\$ 18,081</b>	<b>\$ 18,081</b>

## **7. STOCKHOLDERS' EQUITY**

### **Class A Convertible Preferred Stock**

From March 2001 to September 2001, CHOD sold a total of 706,750 shares of Class A Convertible Preferred Stock for gross proceeds of \$706,750.

Each share of Class A Convertible Preferred Stock is convertible at any time into one share of the Company's Common Stock at the election of the Class A Convertible Preferred Stockholder. At any time, CHOD may require conversion of the Class A Convertible Preferred Shares provided that CHOD Common Stock closes at a price of \$1.50 per share or higher for more than 20 consecutive business days. At any time after one year from the issue date of the Class A Convertible Preferred Shares, CHOD may require conversion of the Class A Convertible Preferred Shares provided that CHOD pay the Class A Convertible Preferred Stockholder \$0.50 per Class A Convertible Preferred Share.

The Class A Convertible Preferred Shares are non-voting and have a first priority, up to \$1.00 per Class A Convertible Preferred Share, in the event of liquidation of CHOD.

As a provision of the private offering, CHOD used 33% of the gross proceeds of the offering to purchase \$380,000 face value of U.S. Treasury Strips (the "Strips") maturing August 15, 2011.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
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The proceeds from the Strips were available to holders of the Class A Convertible Preferred Shares and were in addition to the other assets of CHOD. The Strips, and upon maturity, subsequent investments purchased from such proceeds, were to be held by CHOD to secure payment of the investment in the Class A Convertible Preferred Shares in the event of liquidation of CHOD. The protection afforded by the Strips was to terminate upon the conversion of the Class A Convertible Preferred Shares and the Strips, or their proceeds, were to thereafter be available to CHOD.

On January 7, 2015, CHOD offered its Class A Convertible Preferred shareholders the ability to convert each one (1) share of CHOD Class A Convertible Preferred stock owned into two (2) restricted shares of restricted CHOD common stock (the "Offer"). Through March 31, 2015, 18 of the Class A Convertible Preferred shareholders (representing 179,500 shares, or approximately 26% of the 699,250 issued and outstanding shares of Class A Convertible Preferred Stock) responded to the Offer. 17 of the responding shareholders (representing 177,000 shares) accepted the Offer; the 1 other responding shareholder (representing 2,500 shares) declined the Offer. Accordingly, in May 2015, CHOD issued a total of 354,000 restricted shares of CHOD common stock to the 17 Class A Convertible Preferred shareholders who accepted the Offer.

The 17 accepting shareholders represented approximately 98.6% of the responding shareholders' shares and constituted a quorum. On February 15, 2015, based on the results of the Offer, the majority stockholder and Board of Directors approved the release of restrictions on the proceeds from the Strips.

**Class B Preferred Stock**

Effective June 1, 2015, CHOD issued 100,000 shares of Class B Preferred Stock (valued at \$10,000) to John V. Cappello, chief executive officer of the Company, in connection with a \$15,000 loan made to SAS Health and Beauty Corp., subsidiary of CHOD (see Note 6). Each share of Class B Preferred Stock is entitled to 100 votes per share but has no conversion, liquidation, or dividend rights.

**Common Stock**

On November 20, 2014, pursuant to a Stock Purchase Agreement involving a change in control of CHOD, CHOD issued a total of 7,000,000 restricted shares of CHOD common stock to Cappello's Inc. ("Cappello's") in exchange for (1) Cappello's assignment of a License Agreement between Cappello's and EMGE dated August 26, 2014 to CHOD effective January 1, 2015 (2,000,000 shares) (see Note 5. above), (2) 2,000,000 restricted shares of EMGE common stock (2,000,000 shares) (see Note 4. above), and (3) \$45,000 cash (3,000,000 shares).

Effective April 1, 2016, CHOD issued a total of 2,000,000 restricted shares of CHOD common stock to a corporate investor in exchange for 1,500,000 free trading shares of Gold Mining USA Inc. ("GMUI") common stock. The transaction was valued at \$0.035 per GMUI share or \$52,500 total.

On May 5, 2016, CHOD issued 20,000 restricted shares of CHOD common stock to an attorney for legal services. The transaction was valued at \$0.11 per CHOD share or \$2,200 total.

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
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## 8. INCOME TAXES

CHOD files a consolidated income tax return with its subsidiaries for federal reporting purposes. CHOD and its subsidiaries file separate income tax returns for state reporting purposes.

The provisions for (benefit from) income taxes consisted of:

	<b>Year Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Current:		
Federal	\$ -	\$ -
State	-	-
Total	-	-
Deferred:		
Federal	(56,761)	(32,894)
State	(11,606)	(6,725)
Change in valuation allowance	68,367	39,619
Total	-	-
Provision for income taxes	<u>\$ -</u>	<u>\$ -</u>

The Company's effective tax rate differed from the United States Federal income tax rate for the following reasons:

	<b>Year Ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
Computed Federal income tax at 34%	\$ (94,707)	\$ (69,180)
Computed state income tax, net of Federal tax effect	(11,950)	(8,729)
Non-deductible impairment of investment in Emergent Health Corporation common stock	38,290	34,461
Non-deductible issuance of 100,000 shares of Class B Preferred Stock in connection with the receipt of a \$15,000 loan	-	3,829
Change in valuation allowance	68,367	39,619
Provision for income taxes	<u>\$ -</u>	<u>\$ -</u>

**CASTLE HOLDING CORP. AND SUBSIDIARIES**  
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Based on management's present assessment, the Company has not yet determined it to be more likely than not that a deferred tax asset of up to \$405,884 attributable to the future utilization of \$1,142,747 of prior year net operating loss carryforwards and \$51,030 of capital loss carryforwards will be realized. Accordingly, the Company has maintained a 100% allowance against the deferred tax asset in the financial statements at September 30, 2016. The Company will continue to review this valuation allowance and make adjustments as appropriate. The net operating loss carryforwards expire as follows: \$180,132 in year 2021, \$694,345 in year 2022, \$135,943 in year 2023, \$66,021 in year 2024, \$39,208 in year 2025, and \$27,098 in year 2036. The capital loss carryforward of \$51,030 expires \$49,175 in year 2018 and \$1,855 in year 2021.

Current United States income tax laws limit the amount of loss available to be offset against future taxable income when a substantial change in ownership occurs. Therefore, the amount available to offset future taxable income may be limited.

**9. COMMITMENTS AND CONTINGENCIES**

Since December 2005, the Company has been using space in Freeport New York provided by a public accounting firm owned by the Company's treasurer at no cost to the Company.

## **ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

For the years ended September 30, 2015 and 2014, Castle Holding Corp. has had no principal accountant. Accordingly, there has been no disagreements with accountants on accounting and financial disclosure.

## **ITEM 9A. CONTROLS AND PROCEDURES**

### **EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES**

Under the supervision and with the participation of our management, including our principal executive officer and the principal financial officer, we have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded as of the evaluation date that our disclosure controls and procedures were effective such that the material information required to be included in our Securities and Exchange Commission reports is accumulated and communicated to our management, including our principal executive and financial officer, recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms relating to our company, particularly during the period when this report was being prepared.

### **MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, for the Company.

Internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of its management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Management recognizes that there are inherent limitations in the effectiveness of any system of internal control, and accordingly, even effective internal control can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect material misstatements. In addition, effective internal control at a point in time may become ineffective in future periods because of changes in conditions or due to deterioration in the degree of compliance with our established policies and procedures.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in there being a more than remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

Under the supervision and with the participation of our principal executive officer and principal financial officer, management conducted an evaluation of the effectiveness of our internal control over financial reporting, as of September 30, 2016, based on the framework set forth in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on our evaluation under this framework, management concluded that our internal control over financial reporting was effective as of the evaluation date.

#### CHANGES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in our internal control over financial reporting that occurred during the last fiscal quarter for our fiscal year ended September 30, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

#### ITEM 9B. OTHER INFORMATION

None.

**PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

(a) The directors of Castle Holding Corp. are:

<b>Director Name:</b>	<b>Age</b>	<b>Other offices held</b>	<b>Since</b>
John V. Cappello	75	Chief Executive Officer	2014
George R. Hebert	72	President	1987
Michael T. Studer	66	Secretary, Treasurer	1987

Each director will hold office until the next annual meeting of shareholders and until their successors have been elected and qualified.

(b) The executive officers of Castle Holding Corp. are:

<b>Officer Name:</b>	<b>Age</b>	<b>Offices held</b>	<b>Since</b>
John V. Cappello	75	Chief Executive Officer	2014
George R. Hebert	72	President	1987
Michael T. Studer	66	Secretary, Treasurer	1987

Officers are elected by the Board of Directors at the annual meetings of the Registrant's shareholders, and hold office until their death, or until they shall resign or have been removed from office.

(c) The business experience during the last five years for each director and executive officer of Castle Holding Corp. follows:

John V. Cappello has been Chief Executive Officer and a director of Castle Holding Corp. since November 2014. He also has been Chief Executive Officer of Cappello's Inc., a private research and development company, since 2005. From April 2007 to August 2014, he was the Chief Executive Officer of Emergent Health Corporation, a publicly traded company engaged in the distribution of patented and patent pending consumer products.



George R. Hebert has been President and a director of Castle Holding Corp. since September 1987. Mr. Hebert received a B.S. degree from Stevens Academy, Pennsylvania Military College (now Widener University) in 1967.

Michael T. Studer has been Secretary, Treasurer, and a director of Castle Holding Corp. since September 1987. He also has been President of Michael T. Studer CPA P.C., a public accounting firm, since September 1987. Mr. Studer received a B.S.B.A. degree from Babson College in 1971.

(f) On January 23, 2004, the United States Securities and Exchange Commission barred Michael T. Studer from association with any securities broker or dealer. See SEC Initial Decision Release No. 244, Administrative Proceeding File No. 3-11229. .

On September 7, 2012, pursuant to an Offer of Settlement without admitting or denying the allegations, the Public Company Accounting Oversight Board (“PCAOB”) issued an Order Instituting Disciplinary Proceedings, Making Findings, and Imposing Sanctions against Michael T. Studer CPA P.C. (the “Firm”) and Michael T. Studer (“Studer”) for Respondents' alleged “violations of PCAOB rules and auditing standards and PCAOB quality control standards in connection with the Firm's integrated audit of internal control over financial reporting and financial statements of one issuer client as of and for the year ended December 31, 2008, and the Firm's audits of the financial statements of two issuer clients for the years ended December 31, 2006 and 2007, respectively.” See PCAOB Release No. 105-2012-007 dated September 7, 2012.

Castle Holding Corp. has not adopted a Code of Ethics.

Castle Holding Corp. has no audit committee or any other committee of the Board of Directors.

#### **ITEM 11. EXECUTIVE COMPENSATION**

For the years ended September 30, 2016 and 2015, no cash or stock-based compensation has been paid to or accrued for any director or executive officer.

At September 30, 2016, there are no outstanding equity awards for any director or executive officer.

#### **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

We have 200,000,000 shares of authorized Common Stock, of which 47,003,510 shares are currently issued and 46,414,710 shares are currently outstanding. We also have 10,000,000 authorized shares of Preferred Stock, of which 522,250 Class A Convertible Preferred shares and 100,000 Class B Preferred shares are currently issued and outstanding.

The following table sets forth certain information as of October 28, 2016 with respect to the beneficial ownership of our outstanding Common Stock by (i) any holder of more than five (5%) percent thereof; (ii) each of our officers and directors and (iii) directors and officers of the Company as a group.

<b>Name and Address of Beneficial Owner</b>	<b>Amount and Nature of Beneficial Ownership (1)</b>	<b>Approximate Percent of Class</b>
John V. Cappello (Chief Executive Officer and Director)(2) 10102 Valley Forge Circle King of Prussia, PA 19406	23,000,000	% 49.6(5)
George R. Hebert (President and Director) 183 Gordon Place Freeport, NY 11520	1,093,670	2.4%
Michael T. Studer (Secretary, Treasurer, and a Director) 3 Carolyn Court Amityville, NY 11701	705,600	1.5%
Castle Holding Corp. Deferred Compensation Plan FBO George R. Hebert (3) 111 West Sunrise Highway Freeport, NY 11520	4,867,100	10.5%
Castle Holding Corp. Deferred Compensation Plan FBO Michael T. Studer (3) 111 West Sunrise Highway Freeport, NY 11520	1,080,000	2.3%
Thomas Prendercast c/o Castle Holding Corp. 10102 Valley Forge Circle King of Prussia, PA 19406	4,000,000	8.6%
All Executive Officers and Directors as a Group (3 persons) (4)	30,746,370	66.2%

(1) Unless otherwise indicated below, the Company has been advised that each person named above is the record owner of and exercises the sole voting and investment power over the shares shown opposite his name.

(2) Includes 7,000,000 shares owned by Cappello's Inc., a corporation controlled by John V. Cappello.

- (3) Includes 50% of 1,640,000 shares owned by Castle Advisors Limited Partnership 94-1 (“CALP”). Castle Holding Corp. Deferred Compensation Plan FBO George R. Hebert and Castle Holding Corp. Deferred Compensation Plan FBO Michael T. Studer each own a 50% limited partnership interest in CALP. Neither Mr. Hebert nor Mr. Studer exercises sole voting and investment power over the 1,640,000 shares owned by CALP.
- (4) Includes 4,867,100 shares relating to Castle Holding Corp. Deferred Compensation Plan FBO George R. Hebert and includes 1,080,000 shares relating to Castle Holding Corp. Deferred Compensation Plan FBO Michael T. Studer.
- (5) Excludes 100,000 shares of Class B Preferred Stock owned by John V. Cappello. Each share of Class B Preferred Stock is entitled to 100 votes per share. Thus, Mr. Cappello has total voting power of 33,000,000 votes, or 58.5% of the total 56,414,710 votes eligible to vote at October 28, 2016.

#### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

On November 20, 2014, pursuant to a Stock Purchase Agreement involving a change in control of Castle Holding Corp. (“CHOD”), CHOD issued a total of 7,000,000 restricted shares of CHOD common stock (valued at a total of \$325,000) to Cappello’s Inc. (“Cappello’s”) in exchange for (1) Cappello’s assignment of a License Agreement between Cappello’s and Emergent Health Corporation (“EMGE”) dated August 26, 2014 to CHOD effective January 1, 2015 (2,000,000 shares valued at \$30,000), (2) 2,000,000 restricted shares of EMGE common stock (2,000,000 shares valued at \$250,000), and (3) \$45,000 cash (3,000,000 shares valued at \$45,000). Cappello’s is controlled by the chief executive officer of CHOD.

Effective June 1, 2015, CHOD issued 100,000 shares of Class B Preferred Stock (valued at \$10,000) to John V. Cappello, Chief Executive Officer of the Company, in connection with a \$15,000 loan made to SAS Health and Beauty Corp., subsidiary of CHOD. Each share of Class B Preferred Stock is entitled to 100 votes per share but has no conversion, liquidation, or dividend rights.

We do not consider any of our directors as being independent under Item 407(a) of Regulation S-K.

#### **ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

For the years ended September 30, 2016 and 2015, Castle Holding Corp. has had no principal accountant.

**PART IV**

**ITEM 15. EXHIBITS**

**The following exhibits are including with this filing:**

3.1*	Articles of Incorporation (Form S-18 Registration No. 33-8395-LA, effective November 14, 1986)
3.2*	Amendment to Articles of Incorporation (Form S-18 Registration No. 33-37809-NY, effective February 11, 1991)
3.2*	Amendment to Articles of Incorporation filed August 15, 2001 (September 30, 2001 Form 10-K filed January 15, 2002)
3.3*	By-laws (Form S-18 Registration No. 33-8395-LA, effective November 14, 1986)
4.4*	Specimen Stock Certificate (Form S-18 Registration No. 33-37809-NY, effective February 11, 1991)
10.1*	Stock Purchase Agreement dated November 20, 2014 (Form 8-K filed November 26, 2014)
<a href="#">31.1</a>	<a href="#">Sarbanes-Oxley Section 302 certification by John V. Cappello</a>
<a href="#">31.2</a>	<a href="#">Sarbanes-Oxley Section 302 certification by Michael T. Studer</a>
<a href="#">32.1</a>	<a href="#">Sarbanes-Oxley Section 906 certification by John V. Cappello</a>
<a href="#">32.2</a>	<a href="#">Sarbanes-Oxley Section 906 certification by Michael T. Studer</a>
99.1*	Complaint for Injunctive and Other Relief (dated September 14, 1994) – Securities and Exchange Commission, Plaintiff (Form 8-K dated September 13, 1994)
99.3*	Distribution Agreement dated October 29, 2014 (Form 8-K filed October 30, 2014)

\* Previously filed and incorporated by reference.

**SIGNATURES**

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

**CASTLE HOLDING CORP.**

Date: October 31, 2016

By: /s/ John V. Cappello  
John V. Cappello  
Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following person on behalf of the registrant and in the capacities and on the dates indicated.

**CASTLE HOLDING CORP.**

Date: October 31, 2016

By: /s/ Michael T. Studer  
Michael T. Studer  
Secretary, Treasurer, Chief Financial Officer

**CHIEF EXECUTIVE OFFICER SARBANES-OXLEY SECTION 302  
CERTIFICATION FOR ANNUAL REPORT ON FORM 10-K**

I, John V. Cappello, certify that:

- 1) I have reviewed this annual report for fiscal year ended September 30, 2016 on Form 10-K of Castle Holding Corp.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows as of, and for, the periods presented in this annual report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's board of directors:
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2016

By: /s/ John V. Cappello

John V. Cappello  
Chief Executive Officer

**CHIEF FINANCIAL OFFICER SARBANES-OXLEY SECTION 302  
CERTIFICATION FOR ANNUAL REPORT ON FORM 10-K**

I, Michael T. Studer, certify that:

- 1) I have reviewed this annual report for fiscal year ended September 30, 2016 on Form 10-K of Castle Holding Corp.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows as of, and for, the periods presented in this annual report;
- 4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's board of directors:
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 31, 2016

By /s/ Michael T. Studer

Michael T. Studer  
Chief Financial Officer

**CHIEF EXECUTIVE OFFICER SARBANES-OXLEY SECTION 906  
CERTIFICATION FOR ANNUAL REPORT ON FORM 10-K**

In connection with the annual report on Form 10-K of Castle Holding Corp. (the "Company") for the year ended September 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned certifies pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to my knowledge:

- (1) except for the inclusion of unaudited financial statements, the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 31, 2016

By: /s/ John V. Cappello

John V. Cappello  
Chief Executive Officer



**CHIEF FINANCIAL OFFICER SARBANES-OXLEY SECTION 906  
CERTIFICATION FOR ANNUAL REPORT ON FORM 10-K**

In connection with the annual report on Form 10-K of Castle Holding Corp. (the “Company”) for the year ended September 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned certifies pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to my knowledge:

- (1) except for the inclusion of unaudited financial statements, the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 31, 2016

By: /s/ Michael T. Studer

Michael T. Studer  
Chief Financial Officer