

ACE MARKETING & PROMOTIONS INC
Form 10-Q
May 14, 2010

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2010

COMMISSION FILE NUMBER: 000-51160

ACE MARKETING & PROMOTIONS, INC.
(Exact name of registrant as specified in its charter)

NEW YORK
(State of jurisdiction of Incorporation)

11-3427886
(I.R.S. Employer Identification No.)

457 ROCKAWAY AVE.
VALLEY STREAM, NY 11581
(Address of principal executive offices)

(516) 256-7766
(Registrant's telephone number)

NOT APPLICABLE
(Former name, address and fiscal year, if changed since last report)

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 checkmark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the 12 preceding months (or such shorter period that the registrant was required to submit and post such file).

Yes No

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

Large Accelerated Filer
Accelerated Filer

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

As of May 14, 2010, the registrant had a total of 13,139,928 shares of Common Stock outstanding.

ACE MARKETING & PROMOTIONS, INC.

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ACE MARKETING &
PROMOTIONS, INC.
Condensed Balance Sheets

	March 31, 2010 Unaudited	December 31, 2009 Audited
Assets		
Current Assets:		
Cash and cash equivalents	\$603,576	\$595,611
Accounts receivable, net of allowance for doubtful accounts of \$20,000 at March 31, 2010 and December 31, 2009	315,504	533,555
Prepaid expenses and other current assets	255,949	157,580
Total Current Assets	1,175,029	1,286,746
Property and Equipment, net	226,586	133,632
Other Assets	7,745	7,745
Total Assets	\$1,409,360	\$1,428,123
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$214,779	\$310,753
Accrued expenses	83,372	230,334
Total Current Liabilities	298,151	541,087
Commitments and Contingencies		
Stockholders' Equity:		
Preferred Stock, \$.0001 par value; 5,000,000 shares authorized, none issued		
Common stock, \$.0001 par value; 100,000,000 shares authorized; 13,139,928 and 11,615,703 shares issued and outstanding at March 31, 2010 and December 31, 2009, respectively	1,315	1,163
Additional paid-in capital	6,841,298	6,229,851
Accumulated deficit	(5,699,903)	(5,312,477)
	1,142,710	918,537
Less: Treasury Stock, at cost, 23,334 shares	(31,501)	(31,501)
Total Stockholders' Equity	1,111,209	887,036
Total Liabilities and Stockholders' Equity	\$1,409,360	\$1,428,123

See notes to condensed financial statements.

ACE MARKETING &
PROMOTIONS, INC.
Condensed Statements of Operations

Three Months Ended March 31,	2010 Unaudited	2009 Unaudited
Revenues, net	\$596,381	\$455,032
Cost of Revenues	361,217	330,868
Gross Profit	235,164	124,164
Operating Expenses:		
Selling, general and administrative expenses	622,733	590,945
Total Operating Expenses	622,733	590,945
Loss from Operations	(387,569)	(466,781)
Other Income (Expense):		
Interest expense	(61)	(26)
Interest income	204	2,756
Total Other Income (Expense)	143	2,730
Net Loss	\$(387,426)	\$(464,051)
Net Loss Per Common Share:		
Basic	\$(0.03)	\$(0.05)