Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [X] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN & TRUST

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1991

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

MORGAN AND MORGAN

16TH FLOOR 20 NORTH ORANGE AVE
ORLANDO, FL 32801

2b Employer Identification Number (EIN) 59-2920684

2c Sponsor's telephone number 407-420-1414

2d Business code (see instructions) 541110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/18/2012	WENDI SANBORN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
MORGAN AND MORGAN

16TH FLOOR 20 NORTH ORANGE AVE
ORLANDO, FL 32801

3b Administrator's EIN
59-2920684

3c Administrator's telephone number
407-420-1414

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	1063
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	924
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	75
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	999
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	999
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	555
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	24
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X		**H** (Financial Information)
(2)			**I** (Financial Information – Small Plan)
(3)		0	**A** (Insurance Information)
(4)	X		**C** (Service Provider Information)
(5)			**D** (DFE/Participating Plan Information)
(6)			**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MORGAN AND MORGAN

D Employer Identification Number (EIN)
59-2920684

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PAYCHEX SECURITIES CORPORATION

16-1486352

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

401K GENERATION INC

2100 EUSTIS DR
TAVARES, FL 32778

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 26 15	ADVISOR	60051	Yes [ ] No [X]	Yes [ ] No [X]		Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

AMERICAN FINANCIAL ADVISORS IN

3361 ROUSE ROAD
SUITE 135
ORLANDO, FL 32817

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 26 15	ADVISOR	33705	Yes [ ] No [X]	Yes [ ] No [X]		Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

PAYCHEX, INC.

16-1124166

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 26 15	RECORDKEEPER	6150	Yes [ ] No [X]	Yes [ ] No [X]		Yes [ ] No [X]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MORGAN AND MORGAN

D Employer Identification Number (EIN)
59-2920684

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2183476	1941167
(2) U.S. Government securities	1c(2)	0	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	
(B) All other	1c(3)(B)	0	
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	
(B) Common	1c(4)(B)	0	
(5) Partnership/joint venture interests	1c(5)	0	
(6) Real estate (other than employer real property)	1c(6)	0	
(7) Loans (other than to participants)	1c(7)	0	
(8) Participant loans	1c(8)	507370	423964
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	20302348	20958193
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	0	
(2) Employer real property	1d(2)	0	
e Buildings and other property used in plan operation	1e	0	
f Total assets (add all amounts in lines 1a through 1e)	1f	22993194	23323324
Liabilities			
g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	22993194	23323324

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	243908	
(B) Participants	2a(1)(B)	2012157	
(C) Others (including rollovers)	2a(1)(C)	642841	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		2898906
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	23763	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		23763
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	468299	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		468299
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-918675
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		2472293
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1821001	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1821001
f Corrective distributions (see instructions)	2f		219519
g Certain deemed distributions of participant loans (see instructions)	2g		981
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	784	
(3) Investment advisory and management fees	2i(3)	93755	
(4) Other	2i(4)	6123	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		100662
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		2142163
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		330130
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified (2) [ ] Qualified (3) [X] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: VESTAL & WILER, CPAS (2) EIN: 59-3198021

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) **4a**	X		10208
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) **4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) **4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? **4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? **4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? **4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) **4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) **4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. **4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN & TRUST

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
MORGAN AND MORGAN

D Employer Identification Number (EIN)
59-2920684

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 16-1470238

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

THE MORGAN FIRM PA 401(K)
PROFIT SHARING PLAN AND TRUST

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES

WITH INDEPENDENT AUDITOR'S REPORT

December 31, 2011 and 2010

VESTAL & WILER
CERTIFIED PUBLIC ACCOUNTANTS

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VESTAL & WILER
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

The Morgan Firm PA 401(k) Profit Sharing Plan and Trust
Orlando, Florida

We were engaged to audit the accompanying statements of net assets available for benefits of The Morgan Firm PA 401(k) Profit Sharing Plan and Trust (the Plan) as of December 31, 2011 and 2010, the related statements of changes in net assets available for benefits for the years then ended and the supplemental Schedules H, line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2011 and line 4i - Schedule of Assets (Held At End of Year) as of December 31, 2011. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Mid Atlantic Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2011 and 2010 and for the years then ended that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The supplemental schedules are presented for the purposes of additional analysis and are not a required part of the financial statements but are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Vestal & Wiler

Certified Public Accountants

July 10, 2012

201 EAST PINE STREET, SUITE 801 • ORLANDO, FLORIDA 32801 • 407/843-4433 • FAX 407/841-6694
www.vestal-wiler.com

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and 2010

ASSETS

	2011	2010
INVESTMENTS, at fair value:		
Money market fund	$ 1,941,171	$ 2,176,832
Mutual funds	20,958,189	20,308,992
TOTAL INVESTMENTS	22,899,360	22,485,824
RECEIVABLES:		
Notes receivable from participants	423,964	507,370
TOTAL RECEIVABLES	423,964	507,370
TOTAL ASSETS	23,323,324	22,993,194
LIABILITIES - Excess contributions payable	240,219	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 23,083,105	$ 22,993,194

See notes to financial statements.

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Years Ended December 31, 2011 and 2010

	2011	2010
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	$ (874,384)	$ 1,980,273
Interest and dividends	447,771	414,911
Net investment income (loss)	(426,613)	2,395,184
Contributions:		
Participant	1,771,938	1,877,103
Participant rollover	642,841	217,554
Employer	243,908	272,458
Total contributions	2,658,687	2,367,115
TOTAL ADDITIONS	2,232,074	4,762,299
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	2,041,501	1,181,808
Administrative expenses	100,662	121,283
TOTAL DEDUCTIONS	2,142,163	1,303,091
NET INCREASE	89,911	3,459,208
TRANSFER TO PLAN	-	276,035
NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	22,993,194	19,257,951
NET ASSETS AVAILABLE FOR BENEFITS - End of year	$ 23,083,105	$ 22,993,194

See notes to financial statements.

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2011 and 2010

NOTE 1 DESCRIPTION OF PLAN

The following description of The Morgan Firm PA 401(k) Profit Sharing Plan and Trust (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General – The Plan is a defined contribution plan covering all employees of The Morgan Firm P.A. (the Company) who have six months of service and are age twenty-one or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act (ERISA).

On September 1, 2009, the Company acquired the Cochran Firm – Louisiana LLC. On August 16, 2010, the Plan received a transfer of $276,035 representing the account balances of the Cochran Firm – Louisiana employees who became employees of the Company.

Contributions – Each year, participants may contribute from 1% to 75% of annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants direct the investment of their account into various investment options offered by the Plan. The Plan currently offers a money market fund and various mutual funds as investment options for participants. During 2011 and 2010, the Company matched 25% of the first 5% of compensation that a participant contributed. Contributions are subject to certain limitations.

Contributions received from participants during 2011 are net of payments of $240,219 made in March 2012 to certain active participants to return to them excess contributions as required to satisfy the relevant nondiscrimination provisions of the Plan. This amount is also included in the Plan's statement of net assets available for benefits as excess contributions payable at December 31, 2011.

Participant Accounts – Each participant's account is credited with the participant's contributions and allocations of (a) the Company's contribution and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

NOTE 1 DESCRIPTION OF PLAN – Continued

Vesting – Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant begins to vest in year two (20%) and increases ratably until fully vested in year six.

Notes Receivable From Participants – Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at rates that range from 4.25% to 8.50%, which are commensurate with local prevailing rates as determined by the plan administrator. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits – On termination of service, a participant may elect to receive a lump-sum amount equal to the value of his or her account, periodic installments, or an annuity contract. Benefit payments for the year ended December 31, 2011 include payments of $217,855 made to certain active participants to return to them 2010 excess deferral contributions as required to satisfy the relevant nondiscrimination provisions of the Plan.

Forfeited Accounts – At December 31, 2011 and 2010, forfeited nonvested accounts totaled $17,000 and $166,851, respectively. These amounts will be used to reduce future employer contributions and pay plan expenses. During 2011, forfeitures of $83,125 were used to reduce employer contributions and forfeitures of $47,114 were used to pay plan expenses. During 2010, forfeitures of $104,002 were used to pay plan expenses for 2010 and reimburse the Company for prior year plan expenses.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable From Participants – Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits – Benefits are recorded when paid.

Operating Expenses – Certain expenses of maintaining the Plan are paid by the Company.

Subsequent Events – The Company has evaluated subsequent events through July 10, 2012, the date which the financial statements were available to be issued.

NOTE 3 INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (UNAUDITED)

Mid Atlantic Trust Company (MATC), the trustee of the Plan, holds the Plan's investment assets and executes transactions therein. The following information, as well as the information in the supplemental schedule of assets (held at end of year), was certified by the trustee as complete and accurate and, as directed by the plan administrator, was not audited. Such investments and other related information consist of the following at December 31, 2011 and 2010:

	2011	2010
INVESTMENTS	$ 22,899,360	$ 22,485,824
NET APPRECIATION (DEPRECIATION) IN FAIR VALUE OF INVESTMENTS	$ (874,384)	$ 1,980,273
INTEREST AND DIVIDENDS	$ 424,008	$ 394,759

NOTE 4 INVESTMENTS

The following presents investments that represent 5% or more of the Plan's net assets at December 31, 2011 and 2010:

	2011	2010
American Money Market	$ 1,941,171	$ 2,176,832
American Funds AMCAP Fund	2,047,536	2,044,320
American Funds EuroPacific Growth Fund	1,690,256	2,047,341
American Funds Fundamental Investors	1,362,556	1,442,727
American Funds Small Capital World Fund	1,608,631	1,990,976
American Funds The Growth Fund of America	1,873,463	1,921,236
American Funds Washington Mutual Investors	1,722,672	1,622,571
Vanguard Intermediate Bond Index	1,300,551	1,062,492

During 2011 and 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2011	2010
Mutual funds	$ (874,384)	$ 1,980,273

NOTE 5 FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB), *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures,* provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

NOTE 5 FAIR VALUE MEASUREMENTS – Continued

Level 2 Inputs to the valuation methodology include quoted prices for similar assets or liabilities in an active market; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

Money market fund: Valued based on the quoted prices in active markets for identical assets.

Mutual funds: Valued at the net asset value (NAV) of shares held by the Plan at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTE 5 FAIR VALUE MEASUREMENTS – Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011 and 2010:

Fair Value Measurements as of December 31, 2011

	Level 1	Level 2	Level 3	Total
Money market fund	$ 1,941,171	$ -	$ -	$ 1,941,171
Mutual funds:				
Balanced funds	396,881	-	-	396,881
Fixed income funds	1,512,317	-	-	1,512,317
Equity funds	19,048,991	-	-	19,048,991
Total mutual funds	20,958,189	-	-	20,958,189
Total assets at fair value	$ 22,899,360	$ -	$ -	$ 22,899,360

Fair Value Measurements as of December 31, 2010

	Level 1	Level 2	Level 3	Total
Money market fund	$ 2,176,832	$ -	$ -	$ 2,176,832
Mutual funds:				
Balanced funds	248,980	-	-	248,980
Fixed income funds	1,230,406	-	-	1,230,406
Equity funds	18,829,606	-	-	18,829,606
Total mutual funds	20,308,992	-	-	20,308,992
Total assets at fair value	$ 22,485,824	$ -	$ -	$ 22,485,824

NOTE 6 RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by MATC. MATC is the trustee as defined by the Plan and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of investments.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

During the year ended December 31, 2011, the Company failed to remit employee contributions of $10,208 in a timely manner.

NOTE 7 PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants would become 100 percent vested in their employer contributions.

NOTE 8 TAX STATUS

The Plan and Trust has adopted the Paychex *Volume Submitter Profit Sharing Plan with CODA* documents and adoption agreement. The prototype plan sponsor, Paychex, Inc., obtained a favorable determination letter dated March 31, 2008; however, such letter is only applicable to Paychex, Inc. The plan administrator has adopted all Plan provisions within the prototype document and believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

NOTE 9 RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 10 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31:

	2011	2010
Net assets available for benefits per the financial statements	$ 23,083,105	$ 22,993,194
Plus: excess contributions payable	240,219	-
Net assets available for benefits per the Form 5500	$ 23,323,324	$ 22,993,194

The following is a reconciliation of contributions per the financial statements to Form 5500 for the years ended December 31:

	2011	2010
Contributions per the financial statements	$ 2,658,687	$ 2,367,115
Plus: excess contributions payable	240,219	-
Contributions per the Form 5500	$ 2,898,906	$ 2,367,115

The following is a reconciliation of benefits paid per the financial statements to Form 5500 for the years ended December 31:

	2011	2010
Benefits paid per the financial statements	$ 2,041,501	$ 1,181,808
Plus: excess contributions payable - beginning of year	-	222,652
Benefits paid per the Form 5500	$ 2,041,501	$ 1,404,460

SUPPLEMENTAL SCHEDULES

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

For the Year Ended December 31, 2011

Participant Contributions Transferred Late to the Plan	Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected under VFCP and PTE 2002-51
Check here if late participant loan repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	
$ 10,208	$ -	$ -	$ 10,208	$ -

The Morgan Firm PA 401(k)
Profit Sharing Plan and Trust
EIN 59-2920684, Plan 001
Attachment to 2011 Form 5500
Schedule H

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2011

(a)	(b) Identity of Issue	(c) Description of Issue	(d) Cost	(e) Current Value
	American Money Market	Money market fund		$ 1,941,171
	Cohen & Steers Realty Shares Fund	Mutual fund		97,519
	Dodge & Cox International Stock Fund	Mutual fund		187,985
	Loomis Sayles Bond Fund Class Retail	Mutual fund		151,818
	American Funds AMCAP Fund	Mutual fund		2,047,536
	American Funds American Balanced Fund	Mutual fund		1,041,424
	American Funds American High Income Trust	Mutual fund		39,081
	American Funds Capital Income Builder	Mutual fund		531,547
	American Funds EuroPacific Growth Fund	Mutual fund		1,690,256
	American Funds Fundamental Investors	Mutual fund		1,362,556
	American Funds New Perspective Fund	Mutual fund		950,343
	American Funds Small Capital World Fund	Mutual fund		1,608,631
	American Funds Bond Fund of America	Mutual fund		2,451
	Artio Global High Income Fund	Mutual fund		56,152
	Yacktman Fund	Mutual fund		131,156
	Vanguard Windsor II Fund Investor Share	Mutual fund		246,733
	Vanguard GNMA Fund Investor Shares	Mutual fund		306,850
	American Funds The Growth Fund of America	Mutual fund		1,873,463
	American Funds The Income Fund of America	Mutual fund		451,900
	American Funds The Investment Company of America	Mutual fund		427,933
	American Funds Washington Mutual Investors	Mutual fund		1,722,672
	Ivy Asset Strategy Fund Class Institutional	Mutual fund		393,295
	Vanguard Growth Index Fund Investor Shares	Mutual fund		15,987
	Vanguard Inflation-Protected Securities Fund Investor Shares	Mutual fund		488,772
	Vanguard Life Strat Income Fund	Mutual fund		90,676
	Vanguard Short-Term Bond Index Fund	Mutual fund		14,642
	Vanguard Life Strat Conservative Growth Fund	Mutual fund		86,568
	Vanguard Life Strat Mod Growth Fund	Mutual fund		188,361
	Vanguard Life Strat Growth Fund	Mutual fund		332,125
	Vanguard 500 Index Fund	Mutual fund		740,896

(Continued)

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
(Continued)

December 31, 2011

(a)	(b) Identity of Issue	(c) Description of Issue	(d) Cost	(e) Current Value
	Vanguard Small Cap Index Fund	Mutual fund		355,503
	Vanguard Mid-Cap Index Fund	Mutual fund		420,167
	Vanguard Intermediate Term US Treasury	Mutual fund		200,837
	Vanguard Intermediate Bond Index	Mutual fund		1,300,551
	Perkins Mid Cap Value Fund	Mutual fund		72,168
	Janus Global Select Fund	Mutual fund		95,623
	Janus Forty Fund	Mutual fund		100,962
	Keeley Small Cap Value Fund	Mutual fund		48,757
	Harbor Bond Fund Class Administrative	Mutual fund		196,884
	Oppenheimer Developing Markets Fund	Mutual fund		113,181
	PIMCO Total Return Fund	Mutual fund		633,971
	RidgeWorth Small Cap Value Equity Fund	Mutual fund		93,816
	Templeton Global Bond Adv	Mutual fund		37,535
	Permanent Portfolio	Mutual fund		3,586
	Ridgeworth Seix Floating Rate High Income I	Mutual fund		5,320
*	Participants loans	4.25% - 8.50%	-	423,964

*Denotes a party-in-interest.

The Morgan Firm PA 401(k)
Profit Sharing Plan and Trust
EIN 59-2920684, Plan 001
Attachment to 2011 Form 5500
Schedule H

(Concluded)

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

For the Year Ended December 31, 2011

Participant Contributions Transferred Late to the Plan	Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected under VFCP and PTE 2002-51
Check here if late participant loan repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	
$ 10,208	$ -	$ -	$ 10,208	$ -

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THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2011

(a)	(b) Identity of Issue	(c) Description of Issue	(d) Cost	(e) Current Value
	American Money Market	Money market fund		$ 1,941,171
	Cohen & Steers Realty Shares Fund	Mutual fund		97,519
	Dodge & Cox International Stock Fund	Mutual fund		187,985
	Loomis Sayles Bond Fund Class Retail	Mutual fund		151,818
	American Funds AMCAP Fund	Mutual fund		2,047,536
	American Funds American Balanced Fund	Mutual fund		1,041,424
	American Funds American High Income Trust	Mutual fund		39,081
	American Funds Capital Income Builder	Mutual fund		531,547
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	Vanguard Life Strat Conservative Growth Fund	Mutual fund		86,568
	Vanguard Life Strat Mod Growth Fund	Mutual fund		188,361
	Vanguard Life Strat Growth Fund	Mutual fund		332,125
	Vanguard 500 Index Fund	Mutual fund		740,896

(Continued)

THE MORGAN FIRM PA 401(K) PROFIT SHARING PLAN AND TRUST

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
(Continued)

December 31, 2011

(a)	(b) Identity of Issue	(c) Description of Issue	(d) Cost	(e) Current Value
	Vanguard Small Cap Index Fund	Mutual fund		355,503
	Vanguard Mid-Cap Index Fund	Mutual fund		420,167
	Vanguard Intermediate Term US Treasury	Mutual fund		200,837
	Vanguard Intermediate Bond Index	Mutual fund		1,300,551
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	Janus Forty Fund	Mutual fund		100,962
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	RidgeWorth Small Cap Value Equity Fund	Mutual fund		93,816
	Templeton Global Bond Adv	Mutual fund		37,535
	Permanent Portfolio	Mutual fund		3,586
	Ridgeworth Seix Floating Rate High Income I	Mutual fund		5,320
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