

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K**

x ANNUAL REPORT PURSUANT TO SECTION 13 OR 5(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Year ended December 31, 2023
OR

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

Commission File Number 000-08187

NEW CONCEPT ENERGY, INC.

Nevada

(State or Other Jurisdiction of
Incorporation or Organization)

75-2399477

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

1603 LBJ Freeway
Suite 800
Dallas, Texas
75234
(972) 407-8400

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	GBR	NYSE AMERICAN

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

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 website if any, every interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files) **Yes** **No**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition 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)
Emerging growth company

Accelerated filer

Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

1

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error in previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). **Yes** **No**

The aggregate market value of the shares of voting and non-voting common equity held by non-affiliates of the Registrant, computed by reference to the closing price at which the common equity was last sold which was the sales price of the Common Stock on the NYSE American as of June 30, 2023 (the last business day of the Registrant's most recently completed second fiscal quarter) was \$ 4,559,000 based upon a total of 3,736,999 shares held as of June 30, 2023 by persons believed to be non-affiliates of the Registrant. The basis of the calculation does not constitute a determination by the Registrant as defined in Rule 405 of the Securities Act of 1933, as amended, such calculation, if made as of a date within sixty days of this filing, would yield a different value.

NEW CONCEPT ENERGY, INC.
 Index to Annual Report on Form 10-K
 Fiscal year ended December 31, 2023

Forward-Looking Statements	4
PART I	4
Item 1. Business	4
Item 1A. Risk Factors	5
Item 1B. Unresolved Staff Comments	5
Item 1C. Cybersecurity	5
Item 2. Properties	6
Item 3. Legal Proceedings	6
PART II	6
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	6
Item 6. Selected Financial Data	7
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation	7
Item 7a. Quantitative and Qualitative Disclosures About Market Risk	8
Item 8. Financial Statements	8
Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure	8
Item 9a. Controls and Procedures	8
Item 9b. Other Information	9
PART III	9
Item 10. Directors, Executive Officers and Corporate Governance	9
Item 11. Executive Compensation	12
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	14
Item 13. Certain Relationships and Related Transactions, and Director Independence	15
Item 14. Principal Accounting Fees and Services	15
PART IV	17
Item 15. Exhibits and Financial Statement Schedules	17
Item 16. Form 10-K Summary	17
SIGNATURES	34

[Table of Contents](#)

NEW CONCEPT ENERGY, INC.

Forward-Looking Statements

Certain statements in this Form 10-K are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. The words "estimate," "plan," "intend," "expect," "anticipate," "and believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are found at various places throughout this Report and in the documents incorporated herein by reference. New Concept Energy, Inc. disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Although we believe that our expectations are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Important factors that could cause our actual results to differ from estimates or projections contained in any forward-looking statements are described under Item 1A. Risk Factors beginning on page 5.

PART I

Item 1. Business

New Concept Energy, Inc. ("New Concept," "NCE" or the "Company" or "we" or "us") was incorporated in Nevada on May 31, 1991, under the name Medical Resource Companies of America, Inc. The Company is the successor-by-merger to Wespac Investors Trust, a California business trust that began operating in 1982. On March 26, 1996, the name was changed to Greenbriar Corporation. On February 8, 2005, the name of the Company was changed to CabelTel International Corporation. On May 21, 2008, the name of the company was changed to New Concept Energy, Inc.

Real Estate Operations

The Company owns approximately 190 acres of land located in Parkersburg, West Virginia. Located on the land are four structures totaling approximately 53,000 square feet. Of this total area the main industrial / office building contains approximately 24,800 square feet of which as of December 31, 2023 approximately 16,000 of industrial area is leased for \$100,000 per annum.

Oil and Gas Operations

In August 2020, the Company sold its oil and gas wells and mineral leases which were located in Ohio and West Virginia.

Effective 1/1/2022 the company entered into a Consulting Management Agreement with the current owner of the oil and gas wells whereby the Company will receive 10% of the revenue received from these wells in exchange for providing advisory, accounting and management services. The agreement can be terminated by either party after providing 60 days' notice to the other party.

Business Strategy

The Company is a Nevada corporation.

The Company intends to continue to operate and or sell its West Virginia property. The Company is providing advisory and management services for an independent West Virginia oil and gas company. The Company seeks to establish or acquire new business operations.

Insurance

The Company currently maintains property and liability insurance intended to cover claims for its real estate and corporate operations.

Employees

At December 31, 2023, the Company employed the services of 3 people with the remainder of the work contracted to third parties. The Company believes it maintains good relationships with its employees. None of the Company's employees are represented by a collective bargaining group.

Management is not aware of any non-compliance by the Company as regards applicable regulatory requirements that would have a material adverse effect on the Company's financial condition or results of operations.

[Table of Contents](#)

Available Information

The Company maintains an internet website at www.newconceptenergy.com. The Company has available through the website, free of charge, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, reports filed pursuant to Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act") and amendments to those reports as soon as reasonably practicable after we electronically file or furnish such materials to the Securities and Exchange Commission. In addition, the Company has posted the charters for our Audit Committee, Compensation Committee and Governance and Nominating Committee, as well as our Code of Business Conduct and Ethics, Corporate Governance Guidelines on Director Independence and other information on the website. These charters and principles are not incorporated in this Report by reference. The Company will also provide a copy of these documents free of charge to stockholders upon request. The Company issues Annual Reports containing audited financial statements to its common stockholders.

Item 1A. Risk Factors

Risks Related to the Company

An investment in our securities involves certain risks. An investor should carefully consider the following risk factors in conjunction with the other information in this report before trading our securities.

Our governing documents contain anti-takeover provisions that may make it more difficult for a third party to acquire control of us. Our Articles of Incorporation contain provisions designed to discourage attempts to acquire control of the Company by a merger, tender offer, proxy contest or removal of incumbent management without the approval of our Board of Directors. As a result, a transaction which otherwise might appear to be in your best interests as a stockholder could be delayed, deferred or prevented altogether, and you may be deprived of an opportunity to receive a premium for your shares over prevailing market rates. The provisions contained in our Articles of Incorporation include:

- the requirement of an 80% vote to make, adopt, alter, amend, change or repeal our Bylaws or certain key provisions of the Articles of Incorporation that embody, among other things, the anti-takeover provisions;
- the so-called business combination "control act" requirements involving the Company and a person that beneficially owns 10% or more of the outstanding common stock except under certain circumstances; and
- the requirement of holders of at least 80% of the outstanding Common Stock to join together to request a special meeting of stockholders.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

We rely on the information technology and systems maintained by Pillar Income Asset Management, Inc. ("Pillar"), an entity which provides a number of services to the Company, and we rely on Pillar and its' personnel to identify and manage material risks from cybersecurity threats. Pillar takes various actions, and incurs significant costs, to maintain and manage the operation and security of information technology and systems, including the data maintained in those systems. We believe that Pillar's Director of Information Technology and his associates endeavor to evaluate and address cyber risks in alignment with our business objectives, operational needs and industry-accepted standards, such as the National Institute of Standards and Technology ("NIST") and CIS Critical Security Controls frameworks. Since we rely on accounting, financial, operational, management and other information systems, including the Internet and third-party hosted services to conduct our operations, store personal and sensitive data, process financial information and results of operations for internal reporting purposes and comply with financial reporting, legal and tax requirements, we have processes and procedures in place to monitor the prevention, detection, mitigation and remediation of cybersecurity risks. These include, but are not limited to (i) maintaining a defined and practiced incident response plan; (ii) employing appropriate incident prevention and detection safeguards; (iii) maintaining a defined disaster recovery policy and employing disaster recovery software, where appropriate; (iv) educating, training and testing our user community on information security practices and identification of potential cybersecurity risks and threats; and (v) reviewing and evaluating new developments in the cyber threat landscape. Recognizing the complexity and evolving nature of cybersecurity risk, we engage with a range of external support in evaluating, monitoring and testing our cybersecurity management systems and related cyber risks.

We do not believe we are reasonably likely to be materially affected from cybersecurity threats.

Item 2. Properties

The Company's principal offices are located at 1603 LBJ Freeway Suite 800, Dallas, Texas 75234. The Company believes this space is presently suitable, fully utilized and will be adequate for the foreseeable future.

The Company owns approximately 190 acres of land located in Parkersburg, West Virginia. Located on the land are four structures totaling approximately 53,000 square feet. Of this total area the main industrial / office building contains approximately 24,800 square feet.

Item 3. Legal Proceedings

Currently the Company is not involved in any material legal proceedings.

PART II**Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities****Market Information**

The common stock of the Company is listed and traded on the NYSE American using the symbol "GBR." The following table sets forth the high and low sales prices as reported in the reporting system of the NYSE American and other published financial sources.

	2023		2022	
	High	Low	High	Low
First Quarter	\$ 1.40	\$ 0.99	\$ 6.25	\$ 2.22
Second Quarter	\$ 1.26	\$ 1.02	\$ 3.47	\$ 1.54
Third Quarter	\$ 1.24	\$ 0.92	\$ 2.34	\$ 1.05
Fourth Quarter	\$ 1.37	\$ 1.02	\$ 2.00	\$ 1.06

On March 29, 2024, the closing price of the Company's Common Stock was \$1.06 per share. The Company's Common Stock was held by approximately 3,500 stockholders.

Dividends

The Company paid no dividends on its Common Stock in 2023 or 2022. The Company has not paid cash dividends on its Common stock during at least the last ten fiscal years and it has been the policy of the Board of Directors of the Company to retain all earnings to pay down debt and finance future expansion and development of its businesses. The payment of dividends, if any, will be determined by the Board of Directors in the future in light of conditions then existing, including the Company's financial condition and requirements, future prospects, restrictions in financing agreements, business conditions and other factors deemed relevant by the Board of Directors.

Purchases of Equity Securities

The Board of Directors has not authorized the repurchase of any shares of its Common Stock under any share repurchase program. However, from time to time in the past, the Company has purchased from stockholders less than 100 shares on request of such persons to save the cost of commissions. No such purchases were made in 2023 or 2022.

Item 6. Selected Financial Data

Optional and not included.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation**Overview**

The Company's operations during 2023 include both leasing its office building located in Parkersburg West Virginia and managing the oil and gas operations it sold in August 2020 to a third party. The Company's principal source of cash and income was the interest it receives from notes receivables.

Critical Accounting Policies and Estimates

The Company's discussion and analysis of its financial condition and results of operations are based upon the Company's consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. Certain of the Company's accounting policies require the application of judgment in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments and estimates are based upon the Company's historical experience, current trends and information available from other sources that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Deferred Tax Assets

Significant management judgment is required in determining the provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against net deferred tax assets. The future recoverability of the Company's net deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of the loss carry forwards. At December 31, 2023, the Company had a deferred tax asset due to tax deductions available to it in future years. However, as management could not determine that it was more likely than not that the benefit of the deferred tax asset would be realized, a 100% valuation allowance was established.

Liquidity and Capital Resources

At December 31, 2023 and 2022, the Company had current assets of \$459,000 and \$466,000 and current liabilities of \$75,000 and \$63,000, respectively.

Cash and cash equivalents totaled \$447,000 at December 31, 2023 and \$436,000 at December 31, 2022. New Concept's principal sources of cash was rent from the tenant occupying part of its building in West Virginia, management fees and interest from its notes receivable.

[Table of Contents](#)

Results of Operations

Fiscal 2023 as compared to 2022

Revenues: Revenues from rent for the leased property was \$101,000 in 2023 and 2022. Revenues from managing the oil and gas operations for a third party was \$51,000 and \$111,000 in 2023 and 2022. The management agreement has the Company receiving a management fee of 10% of oil and gas revenue. The decrease in management fees is due to a decrease in the revenue due to a decline in oil and gas prices.

Operating Expenses: Operating expenses for the real estate property was \$57,000 in 2023 and 2022. General and administrative expenses were \$338,000 in 2023 and \$317,000 in 2022.

Interest Income: Interest Income was \$222,000 in 2023 and \$212,000 in 2022.

Other Income: Other income was \$131,000 in 2022. Included in other income for 2022 is \$63,000 which represents the collection of an investment that had previously been fully reserved and a gain of \$68,000 from the sale of equipment.

Fiscal 2022 as compared to 2021

Revenues: Total revenues from rent for the leased property was \$101,000 in 2022 and 2021.

Operating Expenses: Operating expenses for the real estate property was \$57,000 in 2022 and \$77,000 in 2021. General and administrative expenses were \$317,000 in 2022 and \$360,000 in 2021.

Interest Income: Interest Income was \$212,000 in 2022 as compared to \$220,000 in 2021. The decrease was due to the reduction in the principal balance outstanding due to payments received.

Other Income: Other income was \$131,000 in 2022 compared to \$191,000 in 2021. Included in other income for 2022 is \$63,000 which represents the collection of an investment that had previously been fully reserved and a gain of \$68,000 from the sale of equipment. Included in other income for 2021 is an income tax refund for prior years of \$91,000 and \$100,000 from the sale of a receivable that had been fully reserved in prior years.

Item 7a: Quantitative and Qualitative Disclosures about Market Risk

As of December 31, 2023 the Company has no outstanding long term debt, therefore, the Company has no risk from exposure to changes in interest rates.

Item 8. Financial Statements

The consolidated financial statements required by this Item begin at page 16 of this Report.

Item 9. Changes In and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based on an evaluation by our management (with the participation of our Principal Executive Officer and Principal Financial Officer), as of the end of the period covered by this report, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) were effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, to allow timely decisions regarding required disclosures.

There has been no change in our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

[Table of Contents](#)

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. There are inherent limitations to the effectiveness of any system of internal control over financial reporting. These limitations include the possibility of human error, the circumvention of overriding of the system and reasonable resource constraints. Because of its inherent limitations, our internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting. In making this assessment, management used the criteria set forth in *Internal Control - Integrated Framework* -2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on management's assessments and those criteria, management has concluded that Company's internal control over financial reporting was effective as of December 31, 2023.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial

report. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

Changes in Internal Control over Financial Reporting

In preparation for management's report on internal control over financial reporting, we documented and tested the design and operating effectiveness of our internal control over financial reporting. There were no changes in our internal controls over financial reporting (as such term is defined in Exchange Act Rule 13a-15(f)) that occurred during the quarter ended December 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

Not applicable .

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Directors

The affairs of the Company are managed by the Board of Directors. The directors are elected at the Annual Meeting of Stockholders or appointed by the incumbent Board and serve until the next Annual Meeting of Stockholders, until a successor has been elected or approved, or until earlier resignation, removal or death.

It is the Board's objective that a majority of the Board consists of independent directors. For a director to be considered "independent," the Board must determine that the director does not have any direct or indirect material relationship with the Company. The Board has established guidelines to assist it in determining director independence, which conform to, or are more exacting than, the independence requirements in the NYSE American Stock Exchange listing rules. The independence guidelines are set forth in the Company's "Corporate Governance Guidelines." The text of this document has been posted on the Company's internet website at <http://www.newconceptenergy.com> and is available in print to any stockholder who requests it. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making an independent determination.

Table of Contents

The Company has adopted a code of conduct that applies to all directors, officers and employees, including our principal executive officer, principal financial officer and principal accounting officer. Stockholders may find our Code of Conduct on our internet website address at <http://www.newconceptenergy.com>. We will post any amendments to the Code of Conduct as well as any waivers that are required to be disclosed by the rules of the SEC or the NYSE AMERICAN on our website.

Our Board of Directors has adopted charters for our Audit, Compensation and Governance and Nominating Committees of the Board of Directors. Stockholders may find these documents on our website by going to the website address <http://www.newconceptenergy.com>. Stockholders may also obtain a printed copy of the materials referred to by contacting us at the following address:

New Concept Energy, Inc.
Attn: Investor Relations
1603 LBJ Freeway, Suite 800
Dallas, Texas 75234
972-407-8400 (Telephone)

The Audit Committee of the Board of Directors is an "audit committee" for the purposes of Section 3(a) (58) of the Exchange Act. The members of that Committee are Dan Locklear (Chairman), Raymond D. Roberts, Cecilia Maynard and Richard W. Humphrey. Mr. Locklear is qualified as an "audit committee financial expert" within the meaning of SEC regulations and the Board has determined that he has the accounting and related financial management expertise within the meaning of the listing standards of the NYSE American. All of the members of the Audit Committee meet the independence and experience requirements of the listing standards of the NYSE American.

All members of the Audit Committee, Compensation Committee and the Governance and Nominating Committee must be independent directors. Members of the Audit Committee must also satisfy additional independence requirements which provide (i) that they may not accept, directly or indirectly, any consulting, advisory or compensatory fee from the Company or any of its subsidiaries other than their director's compensation (other than in their capacity as a member of the Audit Committee, the Board of Directors or any other Committee of the Board), and (ii) no member of the Audit Committee may be an "affiliated person" of the Company or any of its subsidiaries, as defined by the Securities and Exchange Commission.

The current directors of the Company are listed below, together with their ages, terms of service, all positions and offices with the Company, their principal occupations, business experience and directorships with other companies during the last five years or more. The designation "affiliated," when used below with respect to a director, means that the director is an officer or employee of the Company or one of its subsidiaries. The designation "independent," when used below with respect to a director, means that the director is neither an officer of the Company nor a director, officer or employee of a subsidiary of the Company, although the Company may have certain business or professional relationships with the director as discussed in Item 13. Certain Relationships and Related Transactions. No family relationship exists between any executive officer and any of the directors of the company.

Raymond D. Roberts, age 92, (Independent) Director since June 2015

Mr. Roberts is currently retired. He was also a director of American Realty Investors, Inc. ("ARL"), Transcontinental Realty Investors, Inc. ("TCI") and Income Opportunity Realty Investors, Inc. (IOR) from June 2, 2016 to October 10, 2023, ARL and TCI common stock are listed and traded on the New York Stock Exchange and IOR common stock is listed and traded on the NYSE American Exchange. These Companies are affiliated with both Realty Advisors, Inc. and Pillar Income Asset Management. Mr. Roberts is a member of the Governance and Nominating Committee of the Board of Directors of the Registrant.

Gene S. Bertcher, age 75, (Affiliated) Director November 1989 to September 1996 and since June 1999

Mr. Bertcher was elected President and Chief Financial Officer effective November 1, 2004. He was elected Chairman and Chief Executive Officer in December 2006. Mr. Bertcher has been Chief Financial Officer and Treasurer of the Company since November 1989 and Executive Vice President from November 1989 until he was elected President. Mr. Bertcher was until June 30, 2019 Executive Vice-President and Chief Financial Officer of American Realty Investors, Inc. and Transcontinental Realty Investors, Inc., both of which are traded on the NYSE. Mr. Bertcher was until December 16, 2021 Executive Vice-President and Chief Financial Officer of Income Opportunity Realty Investors, Inc., which is traded on the NYSE American Exchange. He had occupied these positions since February 2008. Further Mr. Bertcher as of August 2020 is a Director of Pillar Income Asset Management. He has been a certified public accountant since 1973.

[Table of Contents](#)
Dan Locklear, age 70, (Independent) Director since December 2003

Mr. Locklear has been Chief Financial Officer of Sunridge Management Group, a real estate management company, for more than five years. Mr. Locklear was formerly employed by Johnstown Management Company, Inc. and Trammel Crow Company. Mr. Locklear has been a certified public accountant since 1981 and a licensed real estate broker in the State of Texas since 1978.

Richard W. Humphrey, age 76, (Affiliated) Director since October 2020

Mr. Humphrey has been, for more than the past five years, Vice President of Regis Realty Prime, LLC, involved in sales and acquisitions of real estate properties. Mr. Humphrey received from Southern Methodist University Cox School of Business both a Bachelor of Business Administration and Master of Business Administration degree with emphasis in real estate. From 1976 to 1979, he was also a part-time faculty member at Southern Methodist University Cox School of Business in Dallas, teaching real estate classes in undergraduate and graduate school. Regis Realty Prime, LLC and its predecessors are affiliated with Realty Advisors, Inc. ("RAI").

Cecilia Maynard, age 71, (Independent) Director since January 2019

Ms. Maynard was employed by Pillar Income Asset Management, Inc. ("Pillar") from January 2011 through December 31, 2018. Pillar is a Nevada corporation which provides management services to other entities. Ms. Maynard was also (May 31, 2018 to June 2021) a director, Vice President and Secretary of First Equity Properties, Inc., a Nevada corporation, the common stock of which is registered under Section 12(g) of the Securities Exchange Act of 1934.

Board Committees

The Board of Directors held five meetings during 2023. For such year, no incumbent director attended fewer than 75% of the aggregate of (i) the total number of meetings held by the Board during the period for which he or she had been a director, and (ii) the total number of meetings held by all Committees of the Board on which he or she served during the period that he or she served.

The Board of Directors has standing Audit, Compensation and Governance and Nominating Committees. The Audit Committee was formed on December 12, 2003, and its function is to review the Company's operating and accounting procedures. A Charter of the Audit Committee has been adopted by the Board. The current members of the Audit Committee, all of whom are independent within the SEC regulations, the listing standards of the NYSE American and the Company's Corporate Governance Guidelines are Messrs. Locklear (Chairman), Roberts and Ms. Maynard. Mr. Dan Locklear is qualified as an Audit Committee financial expert within the meaning of SEC regulations, and the Board has determined that he has the accounting and related financial management expertise within the meaning of the listing standards of the NYSE American. The Audit Committee met five times in 2023.

The Governance and Nominating Committee is responsible for developing and implementing policies and practices relating to corporate governance, including reviewing and monitoring implementation of the Company's Corporate Governance Guidelines. In addition, the Committee develops and reviews background information on candidates for the Board and makes recommendations to the Board regarding such candidates. The Committee also prepares and supervises the Board's annual review of director independence and the Board's performance and self-evaluation. The members of the Committee are Messrs. Locklear, Roberts and Ms. Maynard (Chairman).

The Board has also formed a Compensation Committee of the Board of Directors, adopted a Charter for the Compensation Committee on October 20, 2004, the committee members are Mr. Roberts (Chairman) and Messrs. Locklear and Ms. Maynard.

The members of the Board of Directors at the date of this Report and the Committees of the Board on which they serve are identified below:

Director	Audit Committee	Governance and Nominating Committee	Compensation Committee
Raymond D. Roberts	✓	✓	Chairman
Gene S. Bertcher			
Cecilia Maynard	✓	Chairman	✓
Dan Locklear	Chairman	✓	✓
Richard W. Humphrey			

[Table of Contents](#)
Executive Officers

The following person currently serves as the sole executive officer of the Company: Gene S. Bertcher, Chairman of the Board, President, Chief Executive Officer and Treasurer. His position with the Company is not subject to a vote of stockholders. His age, term of service and all positions and offices with the Company, other principal occupations, business experience and directorships with other companies during the last five years or more are listed under the caption "Directors" above.

In addition to the foregoing officer, the Company has other officers not listed herein who are not considered executive officers.

Code of Ethics

The Board of Directors has adopted a code of ethics entitled "Code of Business Conduct and Ethics" that applies to all directors, officers and employees of the Company and its subsidiaries. In addition, the Company has adopted a code of ethics entitled "Code of Ethics for Senior Financial Officers" that applies to the principal executive officer, president, principal financial officer, chief financial officer, principal accounting officer and controller. The text of these documents is posted on the Company's internet website address at <http://www.newconceptenergy.com> and is available in print to any stockholder who requests them.

Section 16(a) Beneficial Ownership Reporting Compliance

Based solely upon a review of Forms 3, 4 and 5 available to the Company pursuant to Rule 16a-3(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), upon written representations received by the Company, the Company is not aware of any failure by any director, officer or beneficial owner of more than 10% of the Company's common stock to file with the Securities and Exchange Commission on a timely basis.

Item 11. Executive Compensation

The following tables set forth the compensation in all categories paid by the Company for services rendered during the fiscal years ended December 31, 2023, 2022 and 2021 by the Chief Executive Officer of the Company and to the other executive officers and Directors of the Company whose total annual salary in 2023 exceeded \$50,000.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Nonqualified Deferred Compensation Earnings	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Gene S. Bertcher (1)	2023	\$ 56,500								\$ 56,500
Chairman, President & Chief Financial Officer	2022	\$ 56,500								\$ 56,500
	2021	\$ 56,500								\$ 56,500

(1) The salary in the above table represents Mr. Bertcher's compensation paid by the Company; he also receives additional compensation for services to other entities which are related to the Company.

12

[Table of Contents](#)

GRANTS OF PLAN-BASED AWARDS

None

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

None

OPTION EXERCISES AND STOCK VESTED

None

PENSION BENEFITS

None

NONQUALIFIED DEFERRED COMPENSATION

None

13

[Table of Contents](#)

DIRECTOR COMPENSATION

Name	Fees Earned Or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Gene S. Bertcher	\$ —						\$ —
Raymond D. Roberts	\$ 10,500						\$ 10,500
Dan Locklear	\$ 10,500						\$ 10,500
Richard W. Humphrey	\$ 10,500						\$ 10,500
Cecilia Maynard	\$ 10,500						\$ 10,500

MANAGEMENT AND CERTAIN SECURITY HOLDERS

None

Compensation of Directors

The Company pays each non-employee director a fee of \$2,500 per year, plus a meeting fee of \$2,000 for each board meeting attended. Employee directors serve without compensation.

Item 12. Security Ownership of Certain Beneficial Owners

The following table sets forth the ownership of the Company's Common Stock, both beneficially and of record, both individually and in the aggregate, for those persons or entities known by the Company to be the beneficial owners of more than 5% of its outstanding Common Stock as of the close of business on March 29, 2023.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Approximate Percent of Class *
Realty Advisors, Inc.	1,394,934 shares	27.18%

· based on 5,131,934 shares outstanding on March 28, 2024.

Security Ownership of Management

The following table sets forth the ownership of the Company's Common Stock, both beneficially and of record, both individually and in the aggregate for the directors and executive officers of the Company, as of the close of business on March 29, 2024.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership*	Approximate Percent of Class**
Gene S. Bertcher	-	0%
Raymond Roberts	-	0%
Dan Locklear	-	0%
Richard Humphrey	-	0%
Cecilia Maynard	-	0%
All directors and executive officers as a group (5 people)	-	0%

* Beneficial Ownership means the sole or shared power to vote, or to direct the voting of, a security or investment power with respect to a security, or any combination thereof.

** Percentages are based upon 5,131, 934 shares of Common Stock outstanding at March 28, 2024.

[Table of Contents](#)

Item 13. Certain Relationships and Related Transactions, and Director Independence

Beginning in 2011 Pillar became the contractual advisor to three other publicly traded entities which are related to Realty Advisors, Inc. ("RAI") through stock ownership by RAI. In addition, the relationship with Mr. Bertcher New Concept conducts business with Pillar whereby Pillar provided the Company with services including processing payroll, acquiring insurance and other administrative matters. The Company believes that by purchasing these services through certain large entities it can get lower costs and better service. Pillar does not charge the Company a fee for providing these services. Pillar is a wholly owned subsidiary of Realty Advisors, Inc.

Except as set forth above, the Reporting Persons do not have any contracts, arrangements, understandings or relationships, legal or otherwise, with any person with respect to any securities of the Issuer, including but not limited to, transfer or voting of any of the securities, finders' fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, divisions of profits or losses, or the giving or withholding of proxies.

It is the policy of the Company that all transactions between the Company and any officer or director, or any of their affiliates, must be approved by independent members of the Board of Directors of the Company. All of the transactions described above were so approved.

See Item 10. Directors, Executive Officers and Corporate Governance for information on the independence of Directors and the standards of the NYSE American Exchange.

Item 14. Principal Accounting Fees and Services

The following table sets forth the aggregate fees for professional services rendered to the Company for the years 2023, 2022 and 2021 by the Company's principal accounting firm.

Type of Fees	2023	2022	2021
Audit Fees	\$ 44,250	\$ 42,750	\$ 71,525
Tax Fees	3,750	2,750	12,530
Total Fees	\$ 48,000	\$ 45,500	\$ 84,055

All services rendered by the principal auditors are permissible under applicable laws and regulations and were pre-approved by either of the Board of Directors or the Audit Committee, as required by law. The fees paid to principal auditors for services described in the above table fall under the categories listed below:

Audit Fees: These are fees for professional services performed by the principal auditor for the audit of the Company's annual financial statements and review of financial statements included in the Company's Form 10-Q filings and services that are normally provided in connection with statutory and regulatory filings or engagements.

Audit-Related Fees: These are fees for assurance and related services performed by the principal auditor that are reasonably related to the performance of the audit or review of the Company's financial statements. These services include attestation by the principal auditor that is not required by statute or regulation and consulting on financial accounting/reporting standards.

Tax Fees: These are fees for professional services performed by the principal auditor with respect to tax compliance, tax planning, tax consultation, returns preparation and reviews of returns. The review of tax returns includes the Company and its consolidated subsidiaries.

All Other Fees: These are fees for other permissible work performed by the principal auditor that does not meet the above category descriptions.

[Table of Contents](#)

These services are actively monitored (as to both spending level and work content) by the Audit Committee to maintain the appropriate objectivity and independence in the principal auditor's core work, which is the audit of the Company's consolidated financial statements.

Financial Information Systems Design and Implementation Fees

Under the Sarbanes-Oxley Act of 2002 (the "SO Act"), and the rules of the Securities and Exchange Commission (the "SEC"), the Audit Committee of the Board of Directors is responsible for the appointment, compensation and oversight of the work of the independent auditor. The purpose of the provisions of the SO Act and the SEC rules for the Audit Committee's role in retaining the independent auditor is two-fold. First, the authority and responsibility for the appointment, compensation and oversight of the auditors should be with directors who are independent of management. Second, any non-audit work performed by the auditors should be reviewed and approved by these same independent directors to ensure that any non-audit services performed by the auditor do not impair the independence of the independent auditor. To implement the provisions of the SO Act, the SEC issued rules specifying the types of services that an independent auditor may not provide to its audit client and governing the Audit Committee's administration of the engagement of the independent auditor. As part of this responsibility, the Audit Committee is required to pre-approve the audit and non-audit services performed by the independent auditor in order to assure that they do not impair the auditor's independence. Accordingly, the Audit Committee has adopted a pre-approval policy of audit and non-audit services (the "Policy"), which sets forth the procedures and conditions pursuant to which services to be performed by the independent auditor are to be pre-approved. Consistent with the SEC rules establishing two different approaches to pre-approving non-prohibited services, the Policy of the Audit Committee covers pre-approval of audit services, audit-related services, international administration tax services, non-U.S. income tax compliance services, pension and benefit plan consulting and compliance services, and U.S. tax compliance and planning. At the beginning of each fiscal year, the Audit Committee will evaluate other known potential engagements of the independent auditor, including the scope of work proposed to be performed and the proposed fees, and the approve or reject each service, taking into account whether services are permissible under applicable law and the possible impact of each non-audit service on the independent auditor's independence from management. Typically, in addition to the pre-approved services, other services would include due diligence for an acquisition that may or may not have been known at the beginning of the year. The Audit Committee has also delegated to any member of the Audit Committee designated by the Board or the financial expert member of the Audit Committee responsibilities to pre-approve services to be performed by the independent auditor not exceeding \$25,000 in value or cost per engagement of audit and non-audit services, and such authority may only be exercised when the Audit Committee is not in session.

[Table of Contents](#)

PART IV

Item 15. Exhibits, Financial Statement and Supplementary Schedules

INDEX TO FINANCIAL STATEMENTS

FINANCIAL STATEMENTS	Page
Report of Turner & Stone Company, LLC (PCAOB ID Number 76)	18
Report of Swalm & Associates, P.C. (PCAOB ID Number 1820)	20
Consolidated Balance Sheets	22
Consolidated Statements of Operations	24
Consolidated Statements of Changes in Stockholders' Equity	25
Consolidated Statements of Changes in Cash Flows	26
Notes to Consolidated Financial Statements	27

FINANCIAL STATEMENT SCHEDULES: Other financial statement schedules have been omitted because they are not required, are not applicable, or the information required is included in the Consolidated Financial Statements or the notes thereto.

ITEM 16. FORM 10-K SUMMARY

Optional and not included herein.

[Table of Contents](#)

Your Vision Our Focus



Report of Independent Registered Public Accounting Firm

Board of Directors and Shareholders
New Concept Energy, Inc. & Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of New Concept Energy, Inc. & Subsidiaries as of December 31, 2023, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of New Concept Energy, Inc. & Subsidiaries as of December 31, 2023, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The financial statements of New Concept Energy, Inc. & Subsidiaries as of December 31, 2022, were audited by other auditors whose report dated March 20, 2023, expressed an unqualified opinion on those statements.

Basis for Opinion

These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion on the entity's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to New Concept Energy, Inc. & Subsidiaries in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. New Concept Energy, Inc. & Subsidiaries is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Turner, Stone & Company, L.L.P.
Accountants and Consultants
12700 Park Central Drive, Suite 1400
Dallas, Texas 75251
Telephone: 972-239-1660/Faximile: 972-239-1665
Toll Free: 877-853-4195
Web site: turnerstone.com



[Table of Contents](#)

Critical Audit Matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ Turner, Stone & Company, L.L.P.

We have served as New Concept Energy, Inc. & Subsidiaries' auditor since 2024.

Dallas, Texas

March 29, 2024

[Table of Contents](#)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the board of directors of
New Concept Energy, Inc.
Dallas, Texas

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of New Concept Energy, Inc., and Subsidiaries (the Company) as of December 31, 2022, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the years in the two-year period ended December 31, 2022, and the related notes and schedules collectively referred to as the financial statements. In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022, and the results of its operations and its cash flows for each of the years in the two-year period ended December 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain

an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from audit of the December 31, 2022, financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

20

[Table of Contents](#)

Transactions with and Balances Due from Related Parties

Description of the Matter - The Company has significant transactions with and balances due from related parties. The Company performs an assessment as to whether substantially all the amounts due under these receivables are deemed probable of collection. When the Company concludes that it is not probable that it will collect amounts, the Company creates an allowance for the amount not probable of the collection.

Auditing the Company's collectability assessment is complex due to the judgment involved in the Company's determination of the collectability of these receivables. The determination involves consideration of the terms of the receivable, whether the receivable is currently performing, and any security for the receivable.

How We addressed the Matter in Our Audit - We obtained an understanding of the Company's controls over related party receivables and their collectability assessment. Our testing included, among other things, confirmation of the receivables, reviewing selected financial information of the related parties, reviewing subsequent collections and evaluating transaction documentation. The relevant financial statement accounts are notes and interest receivable from related parties, and accounts payable to related parties and interest income from related parties.

Emphasis of Related Party Transactions

As described in the notes to the consolidated financial statements, New Concept Energy, Inc. and Subsidiaries has significant transactions with and balances due from related parties.

Swalm & Associates, P.C.
Richardson, Texas
March 20, 2023

We have served as the Company's auditor for the years 2008 through 2023.

21

[Table of Contents](#)

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (amounts in thousands)

	At December 31,	
	2023	2022
Assets		
Current assets		
Cash and cash equivalents	\$ 447	\$ 436
Other current assets	12	30
Total current assets	459	466
Property and equipment, net		
Land, buildings and equipment	629	631
Note Receivable - related party	3,542	3,542
Total assets	\$ 4,630	\$ 4,639

The accompanying notes are an integral part of these consolidated financial statements.

22

[Table of Contents](#)

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS - CONTINUED (amounts in thousands, except share amounts)

	At December 31,	
	2023	2022
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable - trade (including \$ 8 in 2023 and 2022 due to related parties)	\$ 36	\$ 23
Accrued expenses	39	40
Total current liabilities	<u>75</u>	<u>63</u>
Stockholders' equity		
Series B convertible preferred stock, \$ 10 par value, liquidation value of \$ 100 , authorized 100,000 shares, issued and outstanding one share	1	1
Common stock, \$.01 par value; authorized 100,000,000 shares; issued and outstanding, 5,131,934 shares at December 31, 2023 and 2022	51	51
Additional paid-in capital	63,579	63,579
Accumulated deficit	(59,076)	(59,055)
	<u>4,555</u>	<u>4,576</u>
Total liabilities & stockholders' equity	<u><u>\$ 4,630</u></u>	<u><u>\$ 4,639</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

23

[Table of Contents](#)

**NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands, except per share data)**

	Year Ended December 31,		
	2023	2022	2021
Revenue			
Rent	\$ 101	\$ 101	\$ 101
Management Fee	51	111	-
	<u>152</u>	<u>212</u>	<u>101</u>
Operating Expenses			
Operating Expenses	57	57	77
Corporate general and administrative	338	317	360
Total Operating Expenses	<u>395</u>	<u>374</u>	<u>437</u>
Operating loss	(243)	(162)	(336)
Other Income (Expense)			
Interest income from a related party	213	212	212
Interest income	9	-	8
Interest expense	-	-	(5)
Other income	-	131	191
Total Other income (Expense)	<u>222</u>	<u>343</u>	<u>406</u>
Net income (loss) applicable to common shares	\$ (21)	\$ 181	\$ 70
Net income (loss) per common share-basic and diluted	<u><u>\$ (0.01)</u></u>	<u><u>\$ 0.04</u></u>	<u><u>\$ 0.01</u></u>
Weighted average common and equivalent shares outstanding - basic and diluted	5,132	5,132	5,132

The accompanying notes are an integral part of these consolidated financial statements.

24

[Table of Contents](#)

**NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(amounts in thousands)**

	Series B		Common Stock		Additional paid in capital	Accumulated deficit	Total
	Shares	Amount	Shares	Amount	\$	\$	\$
Balance at December 31, 2020	1	\$ 1	5,132	\$ 51	\$ 63,579	\$ (59,306)	\$ 4,325
Issuance of Common Stock							
Net Income						70	70
Balance at December 31, 2021	1	1	5,132	\$ 51	\$ 63,579	\$ (59,236)	\$ 4,395
Issuance of Common Stock							
Net Income						181	181
Balance at December 31, 2022	1	1	5,132	\$ 51	\$ 63,579	\$ (59,055)	\$ 4,576
Issuance of Common Stock							

Net Loss				(21)	(21)							
Balance at December 31, 2023	1	\$	1	5,132	\$	51	\$	63,579	\$	(59,076)	\$	4,555

The accompanying notes are an integral part of these consolidated financial statements.

[Table of Contents](#)

**NEW CONCEPT ENERGY, INC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)**

	Year ended December 31,		
	2023	2022	2021
Cash flows from operating activities			
Net income (loss)	\$ (21)	\$ 181	\$ 70
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation	13	12	13
Changes in operating assets and liabilities			
Other current assets	18	(12)	92
Accounts payable and other liabilities	12	3	(52)
Net cash provided by operating activities	22	184	123
Cash flows from financing activities			
Payment on notes payable	-	-	(174)
Net cash used in financing activities	-	-	(174)
Cash flows from investing activities			
Fixed asset addition	(11)	-	-
Collections of note receivable	-	-	276
Net cash (used) in investing activities	(11)	-	276
Net increase in cash and cash equivalents	11	184	225
Cash and cash equivalents at beginning of year	436	252	27
Cash and cash equivalents at end of year	\$ 447	\$ 436	\$ 252
Supplemental disclosures of cash flow information			
Cash paid for interest on notes payable:	\$ -	\$ -	\$ 5
Cash paid for principal on notes payable:	\$ -	\$ -	\$ 174

The accompanying notes are an integral part of these consolidated financial statements.

[Table of Contents](#)

New Concept Energy Inc. and Subsidiaries

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A – BUSINESS DESCRIPTION AND PRESENTATION

The Company owns approximately 190 acres of land located in Parkersburg, West Virginia. Located on the land are four structures totaling approximately 53,000 square feet. Of this total area the main industrial / office building contains approximately 24,800 square feet of which as of December 31, 2023 approximately 16,000 of industrial area is leased for \$101,000 per annum.

In August 2020, the Company sold its oil and gas wells and mineral leases which were located in Ohio and West Virginia. The oil and operations for the periods included in this report are reflected as discontinued operations.

The Company's ability to meet current cash obligations relies on cash received from operations and the collection of notes receivable, including a \$ 3.5 million dollar receivable from a related party.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows:

Principles of Consolidation

The consolidated financial statements include the accounts of New Concept Energy, Inc. and its majority-owned subsidiaries (collectively, the "Company," New Concept or "NCE") and are prepared on the basis of accounting principles generally accepted in the United States of America "GAAP." All significant intercompany transactions and accounts have been eliminated. Certain accounting balances have been reclassified to conform to the current year presentation.

Property and equipment net

Property and equipment are recorded at cost. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method of financial statement purposes.

Depreciation expense, which is included in operating expenses, was \$ 13,000 , \$ 12,000 and \$ 13,000 for 2023, 2022 and 2021, respectively.

Revenue Recognition

The Company recognizes revenues in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, Revenue from Contracts with Customers. Under this guidance, the Company recognizes revenue when performance obligations under the terms of a contract with a customer are satisfied by analyzing exchanges with its customers using a five-step approach (1) identify the contract(s) with a customer; (2) identify the performance obligation in the contract(s); (3) determine the transaction price; (4) allocate the transaction price to the performance obligation(s) in the contract(s); and (5) recognize the revenue when (or as) the Company satisfies a performance obligation. The Company derives revenue from rental income from property leases and consulting management fees. The Company's contracted transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. The Company's contracts have a single performance obligation which are not separately identifiable from other promises in the contracts and is, therefore, not distinct. The Company's performance obligation is satisfied upon the transfer of risk of loss to the customer. Revenue related to rental income from property leases are recognized monthly and consulting management fees are recognized quarterly as they are earned over a period of time.

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all short-term deposits and money market investments with a maturity of less than three months to be cash equivalents.

Table of Contents

Impairment of Notes Receivable

Notes receivable are identified as impaired when it is probable that interest and principal will not be collected according to the contractual terms of the note agreements. The accrual of interest is discontinued on such notes, and no income is recognized until all past due amounts of principal and interest are recovered in full.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets and certain identifiable intangibles for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. In reviewing recoverability, the Company estimates the future cash flows expected to result from the use of the assets and eventually disposing of them. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount of the asset, an impairment loss is recognized based on the asset's fair value.

The Company determines the fair value of assets to be disposed of and records the asset at the lower of fair value less disposal costs or carrying value. Assets are not depreciated while held for disposal.

Sales of Real Estate

Gains on sales of real estate are recognized to the extent permitted by Accounting Standards Codification Topic 360-20, "Real Estate Sales – Real Estate Sales", ("ASC 360-20"). Until the requirements of ASC 360-20 have been met for full profit recognition, sales are accounted for by the installment or cost recovery method, whichever is appropriate.

Income Taxes

The Company accounts for income taxes in accordance with Accounting Standards Codification, ("ASC") No. 740, "Accounting for Income Taxes". ASC 740 requires an asset and liability approach to financial accounting for income taxes. In the event differences between the financial reporting basis and the tax basis of the Company's assets and liabilities result in deferred tax assets, ASC 740 requires an evaluation of the probability of being able to realize the future benefits indicated by such assets. A valuation allowance is provided for a portion or all of the deferred tax assets when there is uncertainty regarding the Company's ability to recognize the benefits of the assets in future years. Recognition of the benefits of deferred tax assets will require the Company to generate future taxable income. There is no assurance that the Company will generate earnings in future years. Since management could not determine the likelihood that the benefit of the deferred tax asset would be realized, no deferred tax asset was recognized by the Company.

NOTE C – RELATED PARTIES

Commencing in February 2008, three publicly traded entities needed a chief financial officer, American Realty Investors, Inc. ("ARL"), Transcontinental Realty Investors, Inc. ("TCI") and Income Opportunity Realty Investors, Inc. ("IOR"), Mr. Bertcher, is a certified public accountant and has a long history in their industry. New Concept made arrangements with the three entities whereby, in addition to his responsibilities to New Concept, Mr. Bertcher would be Chief Financial Officer for the three entities. Mr. Bertcher was paid directly for such services by the contractual advisor for the three companies. Mr. Bertcher resigned as an officer of American Realty Investors, Inc. ("ARI") and Transcontinental Realty Investors, Inc. ("TCI") on June 30, 2019, but continued on as an officer of Income Opportunity Realty Investors, Inc. ("IOR") until he resigned December 16, 2021.

Realty Advisors, Inc., ("RAI") is a privately owned investment company and by virtue of its stock ownership, the controlling shareholder for ARI, which in turn is the controlling stockholder of TCI, which is the controlling stockholder of IOR. Mr. Bertcher was an officer of RAI until June 30, 2019.

Beginning in 2011 Pillar Income Asset Management ("Pillar") became the contractual advisor to the three publicly traded entities. Pillar is a wholly owned subsidiary of RAI and Mr. Bertcher serves as a director of Pillar. In addition to the relationship with Mr. Bertcher, the Company conducts business with Pillar whereby Pillar provides the Company with services including processing payroll, acquiring insurance, Information Technology, Cybersecurity and other administrative matters. The Company believes that by purchasing these services through certain large entities it can get lower costs and better service. Pillar does not charge the Company a fee for providing these services. The Company reimburses Pillar for the direct cost for such services.

Table of Contents

NOTE D - NOTE RECEIVABLE

Note Receivable is comprised of the following at December 31, (in thousands):

	Interest Rate	2023	2022
American Realty Investors, Inc. (a related party) receivable upon maturity in September 2025	6 %	\$ 3,542	\$ 3,542

NOTE E - FIXED ASSETS

Land, building and furniture, fixtures and equipment are recorded at cost incurred to acquire the assets. At December 31, 2023 and 2022, fixed assets are as follows:

	2023	2022
Land and improvements	\$ 432	\$ 432
Buildings and improvements	352	341
Total fixed assets	784	773
Less: Accumulated depreciation	(155)	(142)
Net Fixed Assets	\$ 629	\$ 631

NOTE F - INCOME TAXES

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax basis of liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The effect of the change in tax rates on deferred tax assets and liabilities recognized in income in the period that includes the enactment date. We recognize deferred tax assets to the extent that we believe these assets are more likely than not to be realized. If we determine that we would be able to release our deferred tax asset in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

At December 31, 2023, the Company had net operating loss carry forwards of approximately \$ 7.5 million, which expire between 2024 and 2039.

The Company has no assurance as to if and when the benefit of NOL carryforwards will be realized, therefore, a valuation allowance on the related deferred tax assets has been recorded.

Forms 1120, *U.S. Corporation Income Tax Returns*, for the years ending December 31, 2023, 2022, 2021 are subject to examination, by the IRS, generally for three years after they are filed.

The following table presents the principal reasons for the difference between the Company's effective tax rate and the United States statutory income tax rate.

	2023	2022	2021
Earned income tax at statutory rate of 21%	\$ -	\$ 39	\$ 15
Net operating loss utilization	\$ -	(39)	(15)
Deferred tax asset from NOL carry forwards	\$ -	1,583	1,735
Valuation allowance	\$ -	(1,583)	(1,735)
Reported income tax expense (benefit)	\$ -	\$ -	\$ -
Effective income tax rate	0.00%	0.00%	0.00%

NOTE G - STOCKHOLDERS' EQUITY

Outstanding Preferred Stock

Preferred stock consists of the following (amounts in thousands):

	Year Ended December 31,	
	2023	2022
Series B convertible preferred stock, \$10 par value, liquidation value of \$100, authorized 100 shares, issued and outstanding one share	1	1

The Series B preferred stock has a liquidation value of \$100 per share. The right to convert expired April 30, 2003. Dividends at a rate of 6 % are payable in cash or preferred shares at the option of the Company.

NOTE H - CONCENTRATIONS

The Company maintains its cash balances at financial institutions that participate in the Federal Deposit Insurance Corporation's Transaction Account Guarantee Program which insures depositors up to \$ 250,000. At December 31, 2023, the Company has not experienced losses with respect to its bank balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances at December 31, 2023.

NOTE I – OPERATING SEGMENTS

The following table reconciles the segment information to the corresponding amounts in the Consolidated Statements of Operations:

Year ended December 31, 2023	Current Operations	Corporate	Total
Operating revenue	\$ 152	\$ -	\$ 152
Operating expenses	44	338	382
Depreciation	13	-	13
Total Operating Expenses	57	338	395
Interest income	-	222	222
Segment operating income (loss)	\$ 95	\$ (116)	\$ (21)

Year ended December 31, 2022	Current Operations	Corporate	Total
Operating revenue	\$ 212	\$ -	\$ 212
Operating expenses	45	317	362
Depreciation	12	-	12
Impairment of oil and gas properties	12	-	12
Interest income	57	317	374
Interest expense	-	212	212
Segment operating income	-	131	131
	\$ 155	\$ 26	\$ 181

Year ended December 31, 2021	Current Operations	Corporate	Total
Operating revenue	101	\$ -	\$ 101
Operating expenses	65	360	425
Depreciation	12	-	12
Total Operating Expenses	77	360	437
Interest income	-	220	220
Interest expense	-	(5)	(5)
Other income	-	191	191
Segment operating income	\$ 24	\$ 46	\$ 70

NOTE J - QUARTERLY DATA (UNAUDITED)

The table below reflects the Company's selected quarterly information for the years ended December 31, 2023, 2022 and 2021. Amounts shown are in thousands except per share amounts.

Year ended December 31, 2023	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	\$ 45	\$ 35	\$ 35	\$ 37
Operating expense	(12)	(14)	(15)	(16)
Corporate general and administrative expense	(68)	(81)	(70)	(119)
Other income	52	54	57	59
Income (loss) allocable to common shareholders	17	(6)	7	(39)
Income (loss) per common share – basic and diluted	\$ 0.01	\$ (0.01)	\$ 0.01	\$ 0.01

Year ended December 31, 2022	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	\$ 45	\$ 47	\$ 63	\$ 57
Operating expense	(12)	(13)	(18)	(14)
Corporate general and administrative expense	(80)	(80)	(71)	(86)
Other income	52	184	53	54
Income allocable to common shareholders	5	138	27	11
Income per common share – basic and diluted	\$ 0.01	\$ 0.02	\$ 0.01	\$ 0.01

Year ended December 31, 2021	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	\$ 26	\$ 26	\$ 25	\$ 25
Operating expense	(18)	(20)	(34)	(5)

Corporate general and administrative expense	(74)	(111)	(53)	(122)
Other income	145	154	54	53
Income (loss) allocable to common shareholders	79	49	(8)	(49)
Income (loss) per common share – basic and diluted	\$ 0.01	\$ 0.01	\$ (0.01)	\$ 0.00

NOTE K – SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2023, the date of the most recent balance sheet, have been evaluated for possible adjustments to the financial statements or disclosure is March 28, 2024, which is the date of which the financial statements were available to be issued. There are no subsequent events that would require an adjustment to the financial statements.

[Table of Contents](#)

The following documents are filed as exhibits (or are incorporated by reference as indicated) into this Report:

Exhibit

Designation Exhibit Description

3.1	Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit 3.1 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992)
3.2	Amendment to the Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit 3.5 to Registrant's Form 8-K dated April 1, 1993)
3.3	Restated Articles of Incorporation of Greenbriar Corporation (incorporated by reference to Exhibit 3.1.1 to Registrant's Form 10-K dated December 31, 1995)
3.4	Amendment to the Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit to Registrant's PRES 14-C dated February 27, 1996)
3.5	Certificate of Decrease in Authorized and Issued Shares effective November 30, 2001 (incorporated by reference to Exhibit 2.1.7 to Registrant's Form 10-K dated December 31, 2002)
3.6	Certificate of Designations, Preferences and Rights of Preferred Stock dated May 7, 1993 relating to Registrant's Series B Preferred Stock (incorporated by reference to Exhibit 4.1.2 to Registrant's Form S-3 Registration Statement No. 333-64840 dated June 22, 1993)
3.7	Certificate of Voting Powers, Designations, Preferences and Rights of Registrant's Series F Senior Convertible Preferred Stock dated December 31, 1997 (incorporated by reference to Exhibit 2.2.2 of Registrant's Form 10-KSB for the fiscal year ended December 31, 1997)
3.8	Certificate of Voting Powers, Designations, Preferences and Rights of Registrant's Series G Senior Non-Voting Convertible Preferred Stock dated December 31, 1997 (incorporated by reference to Exhibit 2.2.3 of Registrant's Form 10-KSB for the fiscal year ended December 31, 1997)
3.9	Certificate of Designations dated October 12, 2004 as filed with the Secretary of State of Nevada on October 13, 2004 (incorporated by reference to Exhibit 3.4 of Registrant's Current Report on Form 8-K for event occurring October 12, 2004)
3.10	Certificate of Amendment to Articles of Incorporation effective February 8, 2005 (incorporated by reference to Exhibit 3.5 of Registrant's Current Report on Form 8-K for event occurring February 8, 2005)
3.11	Certificate of Amendment to Articles of Incorporation effective March 21, 2007 (incorporated by reference to Exhibit 3.13 of Registrant's Current Report on Form 8-K for event occurring March 21, 2005)
3.12	Amended and restated bylaws of New Concept Energy, Inc. dated November 18, 2008.
10.1	Registrant's 1997 Stock Option Plan (filed as Exhibit 4.1 to Registrant's Form S-8 Registration Statement, Registration No. 333-33985 and incorporated herein by this reference).
10.2	Registrant's 2000 Stock Option Plan (filed as Exhibit 4.1 to Registrant's Form S-8 Registration Statement, Registration No. 333-50868 and incorporated herein by this reference)
14.0	Code of Ethics for Senior Financial Officers (incorporated by reference to Exhibit 14.0 to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2003)
21.1*	Subsidiaries of the Registrant
31.1*	Rule 13a-14(a) Certification by Principal Executive Officer and Chief Financial Officer
32.1*	Certification of Principal Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	Reserve Study dated March 16, 2015 prepared by Lee Keeling and Associates, Inc is included as an exhibit
99.2	Shared Services Agreement effective December 31, 2010 (incorporated by reference to Exhibit 99.2 to Registrant's Form 10K/A for the year ended December 31, 2011 filed March 21, 2013)
101	Interactive data files pursuant to Rule 405 of Regulation S-T

*Filed herewith.

[Table of Contents](#)

SIGNATURES

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

NEW CONCEPT ENERGY, INC.

March 29, 2024

by: /s/ Gene S. Bertcher

Gene S. Bertcher, Principal Executive Officer, President and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Gene S. Bertcher</u> Gene S. Bertcher	Chairman, President, Principal Executive Officer, Chief Financial Officer and Director	March 29, 2024
<u>/s/ Raymond D Roberts</u> Raymond D Roberts	Director	March 29, 2024

/s/ Richard W Humphrey
Richard W Humphrey

Director

March 29, 2024

/s/ Dan Locklear
Dan Locklear
/s/ Cecilia Maynard
Cecilia Maynard

Director

March 29, 2024

Director

March 29, 2024

SUBSIDIARIES OF REGISTRANT

Entity Name	State or County	% Owned
Mockingbird Energy, LLC	Nevada	100%

PRINCIPAL EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER'S RULE 13a-14(a)/15d-14(a)

I, Gene S. Bertcher, certify that:

- 1) I have reviewed this annual report of Form 10-K of New Concept Energy, Inc.;
- 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, and is 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 report fairly present, in all material respects, the financial condition, results of operations and cash flows of the Registrant as of and for the periods presented in this report;
- 4) I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13-15(e) and 15(d)-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13(a)-15(f) and 15(d)-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or used such disclosure controls and procedures to be designed under my 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 annual report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my 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 principals;
 - (c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the 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 that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.
- 5) I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):
 - (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 controls.

Dated: March 29, 2024

/s/ Gene S. Bertcher

Gene S. Bertcher, Principal Executive
Officer, President and Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of New Concept Energy, Inc. (the "Company") of Form 10-K for the period ended December 31, 2023, as filed with the Securities Exchange Commission on the date hereof (the "Report"), I, Gene S. Bertcher, President and Chief Financial Officer of the Company, do hereby certify pursuant to 18 U.S.C. §1350 that:

- (i) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company, at the end of the period indicated and for the periods indicated.

Dated: March 29, 2024

/s/ Gene S. Bertcher

Gene S. Bertcher, Principal Executive
Officer, President and Chief Financial Officer
