
S.L. REED & COMPANY
SCHEDULE I – COMPUTATION OF NET CAPITAL REQUIREMENTS
PURSUANT TO RULE 15c3-1
December 31, 2016

Computation of Net Capital

Common stock	\$ 5,000
Additional paid-in capital	197,850
Retained earnings	181,028
Total stockholder's equity	<u>383,878</u>

Less: Nonallowable assets

Prepaid expense	<u>(13,550)</u>
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Total nonallowable assets	<u>(13,550)</u>
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Net Capital	<u>370,328</u>
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Computation of Net Capital Requirements

Minimum net capital requirements 6 2/3 percent of net aggregate indebtedness	3,665
Minimum dollar net capital required	<u>5,000</u>

Net capital required (greater of above)	<u>(5,000)</u>
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Excess Net Capital	<u>\$ 365,328</u>
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Ratio of aggregate indebtedness to net capital	0.15 : 1
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- * There was no material difference between the net capital computation shown here and the net capital computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2016