

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

ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

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Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING JANUARY 1<sup>ST</sup> 2020 AND ENDING DECEMBER 31<sup>ST</sup> 2020  
MONTH/DAY MONTH/DAY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: FREDMAN FINANCIAL MANAGEMENT, INC. OFFICIAL USE ONLY  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
17 BATTERY PLACE SUITE 643  
(No. and Street)  
NEW YORK NY 10004  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
RICHARD J. ADAMS 212 732-8560  
(Area Code) (Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT (where opinion is contained in this Report)\*

APRIC LLP  
(Name: (Individual, firm last, first, middle name))  
2 PENN PLAZA SUITE 210 NEW YORK NY 10001  
(Address) (City) (State) (Zip Code)

CHECK ONE:

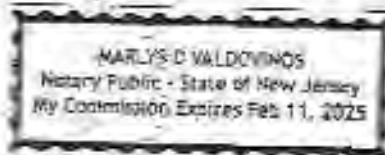
- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions

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\*Claimed for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(d)(2).

# OATH OR AFFIRMATION

Richard J. ADAMS \_\_\_\_\_, swear (or affirm) that to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm, of Redham Financial Management Inc. \_\_\_\_\_ as of December 31, 2012 \_\_\_\_\_ are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



[Signature]  
\_\_\_\_\_  
Signature  
Q  
\_\_\_\_\_  
Title

Marlys D. Valdivinos  
Notary Public  
3/3/12

The Report may contain (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to matters in consolidation.
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SFC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous report.

\* If the conditions of confidential treatment of certain portions of this filing, see section 240.17a-3(c)(3).

**FORDHAM FINANCIAL MANAGEMENT, INC.**  
**FINANCIAL REPORT**  
**DECEMBER 31, 2020**

This report is deemed CONFIDENTIAL in accordance with Rule 17a-5(c)(3) under the Securities Exchange Act of 1934. A statement of financial condition bound separately has been filed with Securities and Exchange Commission simultaneously herewith as a PUBLIC document.



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Officers and Director  
of Fordham Financial Management, Inc.

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Fordham Financial Management, Inc. as of December 31, 2020, the related statements of income, 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 Fordham Financial Management, Inc. as of December 31, 2020, 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.

### Basis for Opinion

These financial statements are the responsibility of Fordham Financial Management, Inc.'s management. Our responsibility is to express an opinion on Fordham Financial Management, Inc.'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 Fordham Financial Management, Inc. 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. 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.

### Auditor's Report on Supplemental Information

The Schedule I, Computation of Net Capital under SEC Rule 15c3-1 and Schedule II, Computation for Determination of Reserve Requirements under SEC Rule 15c3-3 (exemption), have been subjected to audit procedures performed in conjunction with the audit of Fordham Financial Management, Inc.'s financial statements. The supplemental information is the responsibility of Fordham Financial Management, Inc.'s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the Schedule I, Computation of Net Capital under SEC Rule 15c3-1 and Schedule II, Computation for Determination of Reserve Requirements under SEC Rule 15c3-3 is fairly stated, in all material respects, in relation to the financial statements as a whole.

 Aprio LLP

We have served as Fordham Financial Management, Inc.'s auditor since 2020.

New York, New York

March 28, 2021

Aprio LLP  
7 Penn Plaza, Suite 210, New York, NY 10001 (212) 512-8540

## FORDHAM FINANCIAL MANAGEMENT, INC.

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# FORDILAM FINANCIAL MANAGEMENT, INC.

## STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2020

### ASSETS

#### Current assets

Cash and cash equivalents	\$ 7,595,140	
Deposits with clearing organizations	21,876,002	
Receivable from brokers-dealers	9,480,311	
Prepaid expenses	<u>162,488</u>	
<b>Total current assets</b>		<u>\$6,913,951</u>

#### Non-current assets

Receivable from	184,733	
Security deposits	<u>20,800</u>	
<b>Total non-current assets</b>		<u>205,533</u>

**Total assets** \$ 39,119,084

### LIABILITIES AND STOCKHOLDER'S EQUITY

#### Current liabilities

Accounts payable and accrued expenses	\$ 105,249	
Quarterly bonuses payable	12,948,382	
Commissions payable	8,742,351	
Income taxes payable	4,700,170	
Loans payable - current portion	<u>105,310</u>	
<b>Total current liabilities</b>		<u>26,301,262</u>

Loans payable - long-term portion 75,079

**Total liabilities** \$6,176,341

#### Stockholder's Equity

Common stock, no par value, 15,000 shares		
authorized, issued and outstanding	15,000	
Additional paid-in capital	4,854,039	
Retained earnings	<u>8,073,684</u>	
<b>Total stockholder's equity</b>		<u>17,942,743</u>

**Total liabilities and stockholder's equity** \$ 39,119,084

See accompanying notes to the financial statements.

**FORDHAM FINANCIAL MANAGEMENT, INC.**

**STATEMENT OF INCOME**

**YEAR ENDED DECEMBER 31, 2020**

**Revenue**

Corporate finance income	\$ 68,850,735
Commission income	3,864,889
Rebates income	180,552
Conference fee income	63,855
Interest income	<u>1184</u>

Total revenue \$ 72,961,235

**Expenses**

Compensation and related benefits	47,396,383
General and administrative	8,723,806
Brokerage, exchange and clearance fees	607,493
Bad debts	2,226
Conference expenses	<u>598</u>

Total expenses 56,730,506

Income before provision for income taxes 16,230,729

Provision for income taxes 4,223,131

Net income \$ 12,007,600

See accompanying notes to the financial statements.

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**FORDHAM FINANCIAL MANAGEMENT, INC.**

**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

**YEAR ENDED DECEMBER 31, 2020**

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
Balance, January 1, 2020	\$ 15,000	\$ 6,508,505	\$ (3,933,924)	\$ 2,589,581
Net income	-	-	12,007,608	12,007,608
Capital distributions	-	(1,654,446)	-	(1,654,446)
Balance, December 31, 2020	<u>\$ 15,000</u>	<u>\$ 4,854,059</u>	<u>\$ 8,073,684</u>	<u>\$ 12,942,743</u>

See accompanying notes to the financial statements.



# FORDHAM FINANCIAL MANAGEMENT, INC.

## STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2020

### Cash flows from operating activities:

Net income (400,000)

Adjustments to reconcile net income to net cash provided by operating activities:

Decrease (increase) in:

Deposits with clearing organizations (19,511,070)

Receivable from broker-dealers (9,230,901)

Due from registered representatives 62,753

Forgivable loans (81,208)

Prepaid expenses (53,588)

Increase (decrease) in:

Accounts payable and accrued expenses 68,515

Commissions payable 7,735,456

Quarterly bonuses payable 12,948,382

Income taxes payable 4,200,000

Net cash provided by operating activities \$ 9,145,946

### Cash flows from financing activities:

Loan proceeds 180,189

Capital distributions (1,654,446)

Net cash used by financing activities (1,474,257)

Net increase in cash and cash equivalents 6,671,689

Cash and cash equivalents - beginning of year 923,451

Cash and cash equivalents - end of year \$ 7,595,140

### Supplemental disclosure of cash flow information:

Cash paid for income taxes \$ 11,000

Cash paid for interest \$ -

See accompanying notes to the financial statements.

# FORDHAM FINANCIAL MANAGEMENT, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

### Note 1 – Organization and Nature of Business

Fordham Financial Management, Inc. (the "Company") is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). The Company is a Colorado corporation that is a wholly-owned subsidiary of Fordham Holdings, Inc. (the "Parent"). The Company is engaged in a single line of business as a securities broker-dealer, which comprises several classes of services, including private placements and investment banking.

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities Exchange Act of 1934 and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clear all transactions on behalf of customers on a fully disclosed basis with a clearing broker-dealer and promptly transmit all customer funds and securities to the clearing broker-dealer. The clearing broker-dealer carries all the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker-dealer.

### Note 2 – Significant Accounting Policies

#### Basis of presentation

The Company follows accounting standards established by the Financial Accounting Standards Board (the "FASB") to ensure consistent reporting of financial condition, results of operations, and cash flows. References to accounting principles generally accepted in the United States of America ("GAAP") in these notes are to the FASB Accounting Standards Codification<sup>TM</sup>, sometimes referred to as the "Codification" or "ASC."

#### Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash and cash equivalents

The Company considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

## **FORDHAM FINANCIAL MANAGEMENT, INC.**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

#### **Property and equipment**

Property and equipment are stated at cost. Depreciation is provided using a Modified Accelerated Cost Recovery System ("MACRS") using estimated useful lives of five to seven years. Major additions and improvements are capitalized, and repairs and maintenance are charged to operations as incurred. All property and equipment was fully depreciated as of December 31, 2018.

#### **Revenue recognition**

The Company recognizes revenue to depict the transfer of promised services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those services. The guidance requires an entity to follow a five-step model to (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

The Company provides corporate finance and commissions transaction related services to its customers. The benefits of the Company's services are generally transferred to the customers at a point in time upon executing a transaction. The timing of the Company's revenue recognition may differ from the timing of payment by its customers. The Company records a receivable when revenue is recognized prior to payment and the Company has an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, the Company records deferred revenue which represents a contract liability until the performance obligations are satisfied.

#### **Corporate finance revenues**

Corporate finance revenues include income and fees from fixed income securities offerings in which the Company acts as underwriter or placement agent. Corporate finance revenues also include fees earned from providing consulting, risk management and financial advisory services. Majority of the corporate finance management fees are variable and contingent upon executing a transaction. Therefore, corporate finance revenues are typically recognized upon the closing of transactions, due to the uncertainty involved.

#### **Commission income**

Securities transactions and the recognition of related income and expenses are recorded on a trade-date basis. Commissions and related clearing charges are also recorded on a trade-date basis as securities transactions occur.

#### **Income taxes**

Provision has been made for income taxes currently due Federal, New York State and New York City tax authorities. The amount of current and deferred taxes payable or refundable is recognized as of the date the financial statements utilizing currently enacted tax laws and rates. Deferred tax expenses or benefits are recognized in the financial statements for the changes in deferred tax liabilities or assets between years.

## FORDHAM FINANCIAL MANAGEMENT, INC.

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, Income Taxes. Under that guidance the Company assesses the likelihood, based on their technical merits, that the tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. The Company recognizes the accrual of any interest and penalties related to unrecognized tax benefits in income tax expense.

#### **New accounting and authoritative guidance**

In March 2016, the FASB issued ASU No. 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)*. This standard clarifies the implementation guidance on principal versus agent considerations. The guidance includes indicators to assist an entity in determining whether it controls a specified good or service before it is transferred to the customers. The effective date and transition requirements, of ASU 2016-08, are the same as the effective date and transition requirements for ASU 2014-09. The adoption of this guidance does not have a material impact on the Company's financial statements.

In April 2016, the FASB issued ASU No. 2016-10, *Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing* which amends certain aspects of the FASB's new revenue standard. ASU 2016-10 identifies performance obligations and provides licensing implementation guidance. The effective date and transition requirements, of ASU 2016-10, are the same as the effective date and transition requirements for ASU 2014-09. The adoption of this standard does not have a material impact on the Company's financial statements.

#### **Impairment of Long-Lived Assets**

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to the discounted future net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount that the carrying amount of the assets exceeds the fair value of the assets.

#### **Subsequent Events**

The Company has evaluated subsequent events through March 28, 2021, the date the financial statements were available to be issued.

#### **Note 3 – Receivable from Clearing Broker/Securities Held at Broker**

The Company conducts business and clears its proprietary and customer transactions through one clearing broker on a fully disclosed basis. The Company earns commissions as an introducing broker for the transactions of its customers. The clearing and depository operations for the Company's customer accounts are performed by its clearing broker pursuant to a cleared agreement.

# FORDHAM FINANCIAL MANAGEMENT, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

### Note 4 – Loan payable

On May 15, 2020 ("effective date"), the Company signed a Paycheck Protection Program Term Note ("Note") in the amount of \$180,189. The Note contains provisions for the forgiveness of the facility, subject to program requirements outlined in Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act. Loan forgiveness is subject to the sole approval of the Small Business Administration. The Company is eligible for loan forgiveness in an amount equal to payments made during the 24-week period beginning on the Effective Date, with the exception that no more than 40% of the amount of loan forgiveness may be for expenses other than payroll expenses. The Company intends to apply for forgiveness of the PPP Loan with respect to these covered expenses. Any amounts outstanding under the Note shall accrue interest at a rate of 1%. The Note is a five-year loan with a maturity date of May 15, 2022. Monthly principal and interest payments are deferred for ten months after the end of the covered period of the Company's Note forgiveness ("Deferral Period"). After such Deferral Period, and after taking into account any Note forgiveness applicable to the Note pursuant to the Act, any remaining principal and accrued interest will be payable in substantially equal monthly installment over the remaining months left until May 15, 2022.

As of March 28, 2021, the outstanding balance of the Note in the amount of \$180,189 is recorded as loan payable.

### Note 5 – Commitments and Contingent Liabilities

#### Lease commitments

The Company is currently on a month-to-month lease for its office spaces located at 17 Battery Place and 17 State Street, New York, NY.

Rent expense for the year ended December 31, 2020 amounted to \$422,403.

#### Brokerage activities

In the normal course of business, the Company is engaged in various brokerage activities on an agency basis through a clearing broker. In connection with these activities, a customer's unsettled transactions may expose the Company to off-balance sheet risk in the event the customer is unable to fulfill their contractual obligations. Significant credit exposure may result in the event that the Company's clearing broker is unable to fulfill their contractual obligation.

#### Uncertainty related to Covid-19

The Company's ongoing profitability may experience instability and estimates included in the financial statements may change due to current political and economic conditions as a result of public health concerns related to the novel coronavirus, or COVID-19. The duration and intensity of these impacts and resulting disruption to which these events affect the Company's business will depend on future developments, which are highly uncertain and cannot be predicted at this time.



# FORDHAM FINANCIAL MANAGEMENT, INC.

## NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2020

### Note 6 – Related Party Transactions

The Company extended credit ("forgivable loans") to new advisors in 2020 in the form of signing bonus and commission advances. The decision to extend credit to advisors are generally based on the advisor's ability to generate future commissions. These advances are forgivable over the terms of the advisory agreement provided the advisor remains licensed through the Company for a period of time. At December 31, 2020, \$184,333 of extended credit is forgivable. All forgivable loans are interest free.

### Note 7 – Income Taxes

The FASB provides guidance for how uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether tax positions are "more likely than not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. For the year ended December 31, 2020, management has determined that there are no uncertain tax positions. The Company is not subject to examination by U.S. federal, state and local tax authorities for tax years before 2017.

### Note 8 – Net Capital Requirements

The Company is subject to the SEC Uniform Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2020, the Company had net capital of \$12,575,175, which was \$10,830,085 in excess of its required net capital of \$1,745,090. The Company's net capital ratio was 2.08 to 1.

Certain advances, dividend payments and other equity withdrawals are restricted by the provisions of the rules of the Securities and Exchange Commission.

Under the arrangements with the clearing broker-dealer, the Company is required to maintain certain minimum levels of capital and comply with other financial ratio requirements.

### Note 9 – Concentrations and Credit Risks

The Company clears its securities transactions through a major financial service firm. These activities may expose the Company to off-balance-sheet risk in the event that the institution is unable to fulfil its obligation and the Company has to purchase or sell the securities at a loss.

The Company maintains its cash in a bank deposit account which, at times, may exceed federally insured limits. Accounts in the United States are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At December 31, 2020, the Company exceeded FDIC insured limits. The Company has not experienced any losses in such accounts.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of the clearing organizations receivable. The Company has cash on deposit with a clearing organization. The amount of credit risk associated with the clearing organization receivable is \$21,676,092 and is reflected in the statement of financial condition.

## SUPPLEMENTARY INFORMATION

## FORDHAM FINANCIAL MANAGEMENT, INC.

## SCHEDULE 1 - COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1

AS OF DECEMBER 31, 2020

Total stockholder's equity		\$ 12,092,743
Deductions/charges:		
<b>Non-allowable assets:</b>		
Forgivable loans	\$ 184,333	
Prepaid expenses	162,408	
Security deposits	<u>20,800</u>	
Total deductions/charges		<u>367,541</u>
Net Capital before haircut on securities positions		12,575,202
Haircuts on securities pursuant to 15c3-1(f)		<u>27</u>
<b>Net Capital per rule 15c3-1</b>		<b><u>\$ 12,575,175</u></b>

**Computation of Net Capital Requirement**

Aggregate indebtedness		
Accounts payable and accrued liabilities	\$ 105,240	
Commissions payable	8,742,351	
Income taxes payable	4,200,170	
Quarterly bonuses payable	<u>12,948,382</u>	
Loans payable	<u>180,189</u>	
Total aggregate indebtedness		<u>\$ 26,176,341</u>
Minimum capital required (the greater of \$100,000 or 6 2/3% of aggregate indebtedness)		<u>\$ 1,745,090</u>
<b>Excess Net Capital</b>		<b><u>\$ 10,830,085</u></b>
Ratio of aggregate indebtedness to net capital		2.08 to 1

**Reconciliation with Company's Computation (included  
in part IIA of Form N-17A-5 as of December 31, 2020)**

Net Capital, as reported in the Company's Part II (unaudited) FOCUS report	\$ 12,575,175
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There were no material differences between the audited computation of net capital included in this report and the corresponding schedule included in the Company's unaudited December 31, 2020 Part II FOCUS filing.



**FORDHAM FINANCIAL MANAGEMENT, INC.**  
**SCHEDULE II – COMPUTATION FOR DETERMINATION OF RESERVE**  
**REQUIREMENTS UNDER SEC 15c3-3**  
**DECEMBER 31, 2020**

None. The Company is exempt from Rule 15c3-3 under subparagraph (k)(2)(ii).

# Aprio

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Officers and Directors  
of Fordham Financial Management, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Fordham Financial Management, Inc. identified the following provisions of 17 C.F.R. §15c3-3(k) under which Fordham Financial Management, Inc. claimed an exemption from 17 C.F.R. §240.15c3-3; paragraph (k)(2)(ii) (the exemption provisions) and (2) Fordham Financial Management, Inc. stated that Fordham Financial Management, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Fordham Financial Management, Inc.'s management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Fordham Financial Management, Inc.'s compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated. In all material respects, based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Aprio, LLP*

New York, New York

March 28, 2021

**FORDHAM FINANCIAL MANAGEMENT, INC.**

**EXEMPTION REPORT**


**DECEMBER 31, 2020**

Fordham Financial Management, Inc. (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. § 240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

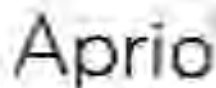
- (1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3(k)(2)(ii).
- (2) The Company has met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k) throughout the most recent fiscal year without exception.

Fordham Financial Management, Inc.

I, William Baquet, affirm that, to my knowledge and belief, this Exemption Report is true and correct.

By:   
William Baquet, President

March 30, 2021



REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON  
APPLYING AGREED-UPON PROCEDURES

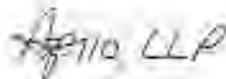
To the Officers and Directors of Fordham Financial Management, Inc.

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below and were agreed to by Fordham Financial Management, Inc. and the SIPC, solely to assist you and SIPC in evaluating Fordham Financial Management, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2020. Fordham Financial Management, Inc.'s management is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records, noting no differences;
- 2) Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2020 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2020, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Fordham Financial Management, Inc.'s compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Fordham Financial Management, Inc. and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

 Aprio LLP

New York, New York

March 28, 2021

SIPC-6

(36 REV 12/18)

## SECURITIES INVESTOR PROTECTION CORPORATION

P.O. Box 32185 Washington, D.C. 20090-2185  
202 371-8300

## General Assessment Payment Form

For the first half of the fiscal year ending 12/31/2020

(Read carefully the instructions in your Working Copy before completing this Form)

SIPC-6

(36 REV 12/18)

## TO BE FILED BY ALL MEMBERS OF THE SECURITIES INVESTOR PROTECTION CORPORATION

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends (a) purposes of the audit requirement of SEC Rule 17a-5.

FORDHAM FINANCIAL MANAGEMENT, INC.  
17 BATTERY PLACE - SUITE 643  
NEW YORK, NY 10004

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

8-38622

Richard J. ADAMS  
212-732-8500

WORKING COPY

2. A. General assessment payment for the first half of the fiscal year (100% of Form page 2).

1. Less prior year overpayment applied as reflected on SIPC-7 (if applicable).

2. Assessment balance due

B. Interest computed on late payment (see instruction C) for 68 days at 9.0% per annum

C. Total assessment and interest due

D. PAYMENT: ☒ by the boxCheck mailed to P.O. Box ☐ Funds Wired ☐ ACH ☒ 26206

Total (must be same as C above)

25252

- 0 -

25252

954

26206

3. Subsidiaries (S) and processors (P) included in this form (give name and 1934 Act registration number)

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Dated the 21<sup>st</sup> day of OCT 20 20FORDHAM FINANCIAL MANAGEMENT, INC.  
(Name of Member, Processor or other institution)  
[Signature]  
CFO  
(Authorized Signature)  
(Title)

This form and the assessment payment is due 30 days after the end of the first six months of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates	Postmarked	Received	Reviewed
Calculations			Documentation
Exceptions			Forward Copy
Disposition of exception			

# DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period  
beginning 1-1-2020  
and ending 6-30-2020

Item No.

2a. Total revenue (FOCUS Line 12/Part 1A Line 8, Code 9880)

Eliminate cents

\$ 19,251,382

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

19,251,382

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing, advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 19(b)(1) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See instruction C.)

2528

248,941

2165168

(Deductions in excess of \$100,000 require documentation)

- (9) (i) Total interest and dividend expense (FOCUS Line 77/PART 1A Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income

\$

- (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960)

\$

622

Enter the greater of line (i) or (ii)

244

Total deductions

2416,586

2d. SIPC Net Operating Revenues

\$ 16,834,496

2e. General Assessment @ .0015

\$ 25,252

(See page 1 line 2A.)

**SIPC-7**

(36-REV 12/18)

**SECURITIES INVESTOR PROTECTION CORPORATION**  
P.O. Box 82185, Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation****SIPC-7**

(36-REV 12/18)

For the fiscal year ended **12/31/2020**

(Read carefully the instructions on your Working Copy before completing this form.)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

ALL FOR AADC 100  
38522 FINRA DEC  
FORDHAM FINANCIAL MANAGEMENT INC  
17 BATTERY PL STE 643  
NEW YORK, NY 10004-1137

Note: if any of the information shown on the mailing label requires correction, please e-mail any corrections to [form@sipc.org](mailto:form@sipc.org) and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Richard J Adams  
1-212-732-8500

2. A. General Assessment (Item 2e from page 2)

105,544

B. Less payment made with SIPC 6 filed (exclude interest)

25,25210-21-20

Date Paid

C. Less prior overpayment applied

-0-

D. Assessment balance due or (overpayment)

80,292

E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum

-0-

F. Total assessment balance and interest due (or overpayment carried forward)

80,292G. PAYMENT: ☒ the box

Check mailed to P.O. Box 11 Funds Wired ☒ ACH ☐  
Total (must be same as F above)

\$ 80,292

H. Overpayment carried forward

\$

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number)

The SIPC member submitting this form and the person by whom it is executed represent hereby that all information contained herein is true, correct and complete.

FORDHAM FINANCIAL MANAGEMENT  
Member of Corporation, Partnership or other organization

Dated the 26 day of FEB, 2021

[Signature]  
CEO

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**

Date:

Postmarked

Received

Reviewed

Calculations

Documentation

Forward Copy

Exceptions

Disposition of exceptions:



# **DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 1/1/2020  
and ending 12/31/2020

Item No.

2a. Total revenue (FOCUS Line 12/PART IIA Line 5, Code 4030)

Eliminate cents

\$ 72961236

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or mutual investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that matured nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(b)(1) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See instruction C).

(Deductions in excess of \$100,000 require documentation)

- (9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$

- (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3950).

\$

Enter the greater of line (i) or (ii)

Total deductions

2d. SIPC Net Operating Revenues

2e. General Assessment @ .0015

2597875

596

2598471

\$ 70362765

\$ 105544

(No page 1, line 2.A.)