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

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SEC FILE NUMBER

8-051848

**FACING PAGE**

**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 01/01/01 AND ENDING 12/31/01  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

**NAME OF BROKER-DEALER:**

A.J. Sloane & Company, LLC

**ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)**

645 Fifth Avenue 18th floor

(No. and Street)

New York

NY

10022

(City)

(State)

(Zip Code)

**NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT**

Alexander Sloane

212-546-6291

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

**INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\***

Janover Rubinroit, LLC

(Name - if individual, state last, first, middle name)

100 Quentin Roosevelt Blvd

Garden City

NY

11530

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**

Certified Public Accountant

Public Accountant

Accountant not resident in United States or any of its possessions.

**PROCESSED.**

MAR 07 2002

FOR OFFICIAL USE ONLY

THOMSON  
FINANCIAL

*\*Claims 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(e)(2).*

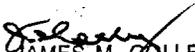
SEC 1410 (3-91)

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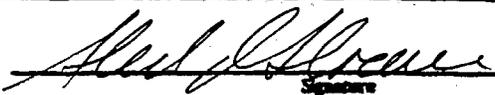
## OATH OR AFFIRMATION

I, Alexander Sloane, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm A. J. Sloane & Company, LLC

December 31, 2001, 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:

  
JAMES M. COLLEARY  
Notary Public, State of New York  
No. 52-4600543  
Qualified in Suffolk County  
Certificate Filed in New York County  
Commission Expires Nov. 30, 2002

Notary Public

  
Signature  
PRESIDENT  
Title

This report\*\* contains (check all applicable boxes):

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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 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 methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit
- (o) Independent Auditors' Report on Internal Control

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

AJ SLOANE & COMPANY, LLC

\*\*\*\*\*

FINANCIAL STATEMENT

DECEMBER 31, 2001

FEB 26 2002

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INDEPENDENT AUDITORS' REPORT dated February 8, 2002

FINANCIAL STATEMENTS

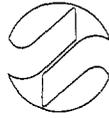
PAGE NO.

Balance Sheet as of December 31, 2001

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Notes to Financial Statements

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100 Quentin Roosevelt Blvd.  
Suite 516  
Garden City  
New York 11530  
(516) 542-6300  
Fax: (516) 542-9021

# JANOVER RUBINROIT

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Member of  
AJ Sloane & Company, LLC:

We have audited the accompanying balance sheet of AJ Sloane & Company, LLC as of December 31, 2001. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of AJ Sloane & Company, LLC as of December 31, 2001, in conformity with generally accepted accounting principles.

*Janover Rubinroit, LLC*

February 8, 2002

AJ SLOANE & COMPANY, LLC

BALANCE SHEET

DECEMBER 31, 2001

ASSETS

Cash	\$ 21,637
Accounts receivable	257,203
Other receivable	990
Fixed assets, net of accumulated depreciation of \$2,222	3,489
Investments: NASD	3,300
Prepaid expenses	<u>3,145</u>
Total assets	<u>\$ 289,764</u>

LIABILITIES AND MEMBER'S CAPITAL

Accounts payable and accrued expenses	\$ <u>6,469</u>
Member's capital	<u>283,295</u>
Total liabilities and member's' equity	<u>\$ 289,764</u>

The accompanying notes are an integral part of the financial statements.

**AJ SLOANE & COMPANY, LLC**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - ORGANIZATION:**

AJ Sloane & Company, LLC (or the "Company") is a New York Company that was originally formed as a corporation on April 5, 2000, at which point the Company had made an S-Corporation election for tax purposes. The Company then changed its status to a Limited Liability Company on June 8, 2000. The Company's National Association of Securities Dealers application was granted on December 22, 2000. Effective January 11, 2001 the Company commenced operations as a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and became a member of the National Association of Securities Dealers, Inc. The Company derives most of its income through fees for asset management and related services.

**NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES:**

**Fixed assets**

Fixed assets are stated at cost and are depreciated using an accelerated method over their estimated useful lives. These fixed assets and their useful lives are as follows:

	<u>Amount</u>	<u>Useful Life</u>
Computer equipment	\$ 4,684	5 years
Furniture & equipment	<u>1,027</u>	7 years
	5,711	
Less accumulated depreciation	<u>(2,222)</u>	
	<u>\$ 3,489</u>	

**Income taxes**

No provision has been made for income taxes. The Company has elected to be treated as a Limited Liability Company under the Internal Revenue Code and under the related sections of applicable state tax codes. The Company's member includes the operations of the Company in his individual income tax return and will pay all taxes associated with the operation of the Company.

**Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

**NOTE 3 - NET CAPITAL REQUIREMENT:**

The Company is subject to the SEC Uniform Net Capital rule (rule 15c3-1), which requires the maintenance of minimum regulatory net capital and further requires that the ratio of aggregate indebtedness to regulatory net capital, both as defined, shall not exceed 8:1. At December 31, 2001, the Company had regulatory net capital of \$15,168, which was \$10,168 in excess of its required minimum regulatory net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .43:1.

**NOTE 4 - RELATED PARTY TRANSACTIONS:**

The Company operated out of the sole member's personal residence and as such, rent and other related overhead expenses were paid for by the member, until August 1, 2001. The Company rented an office on August 1, 2001.

See Note 6, Commitments and Contingencies.

**NOTE 5 - CONCENTRATION OF RISK:**

The majority of the Company's fee income is secured through a fee sharing arrangement with joint parties and is recorded when earned. These fees represent approximately 61% of total fee income.

**NOTE 6 - COMMITMENTS AND CONTINGENCIES:**

The Company is, from time to time, a party to litigation arising in the ordinary course of its business. Currently, there are no claims outstanding that management believes is likely to have a material adverse effect upon the financial statements of the Company.

**Lease**

The Company entered into a one year lease agreement where it rents office space, including furnishings, fixtures and equipment. The lease commenced on August 1, 2001 with monthly rent of \$4,000. Other telephone line usage charges are billed separately. Rent expense for the year ended December 31, 2001 was \$21,926.