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

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

SEC FILE NUMBER
8-18396

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 BEGINING JANUARY 1, 2009 AND ENDING DECEMBER 31, 2009
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER: **BACHER & CO., INC.**

OFFICIAL USE ONLY
FIRM ID. NO.

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

6 B CAY HARBOR

(No. and Street)

KEY LARGO

(City)

FLORIDA

(State)

33037

(Zip Code)

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

MR. FRED BACHER

305-367-4400

(Area Code - Telephone No.)

B. ACCOUNTANT DESIGNATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

OHAB AND COMPANY, PA

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

100 E. SYBELIA AVENUE, SUITE 130, MAITLAND

(Address and City)

FLORIDA

(State)

32751

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its Possessions

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual audit 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 (06-02) Potential persons who are to respond to the collection of information contained in this form are required to respond unless the form displays a current valid OMB control number.

3/6/2010
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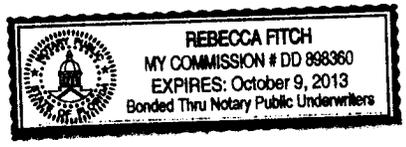
OATH OR AFFIRMATION

I, FRED BACHER, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm or BACHER & CO., INC., as of December 31, 2009 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

PRESIDENT
Title

Rebecca Fitch 2/19/10
Public Notary



This report** contains (check all applicable boxes);

- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (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 the Computation for Determination of the Reserve Requirements under Exhibit A of Rule 15c3-1.
- (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.

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

BACHER & COMPANY, INC.

Key Largo, Florida

December 31, 2009

FINANCIAL STATEMENTS

Including Independent Auditors' Report

BACHER & CO. INC.

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Ohab and Company, P.A.

100 East Sybelia Avenue, Suite 130
Maitland, FL 32751

Certified Public Accountants
E-Mail ohabco@earthlink.net

407-740-7311
FAX 740-6441

INDEPENDENT AUDITORS' REPORT

Board of Directors
Bacher & Company, Inc.
Key Largo, Florida

We have audited the accompanying statements of financial condition of Bacher & Company, Inc. as of December 31, 2009 and the related statements of operations, stockholder's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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, evidenced 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 provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bacher & Company, Inc. as of December 31, 2009 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the schedule presented on page 9 is presented for purposes of additional analysis and is not required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act or 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Ohab and Company, P.A.

Maitland, Florida
February 15, 2010

BACHER & COMPANY, INC.

STATEMENT OF FINANCIAL CONDITION

December 31, 2009

ASSETS

Current assets:

Cash and cash equivalents	\$ 6,420
Securities owned	475,250
Commissions receivable	<u>30,591</u>
Total assets	<u><u>\$ 512,261</u></u>

STOCKHOLDER'S EQUITY

Stockholder's equity:

Common stock, voting, \$1 par value per share; 7,500 shares authorized, 1,000 issued and outstanding	1,000
Additional paid-in capital	684,110
Retained earnings	<u>(172,849)</u>
	<u>512,261</u>
Total liabilities and stockholder's equity	<u><u>\$ 512,261</u></u>

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

BACHER & COMPANY, INC.
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2009

Revenues:

Commissions and fees	\$ 297,090
Unrealized gains on dealer inventory	49,481
Dividends and interest income	<u>8,298</u>
Total revenues	<u><u>354,869</u></u>

Expenses:

Clearing cost and ticket services	61,994
Communications	10,178
Promotional expenses	4,840
Occupancy	1,367
Regulatory	1,630
Insurance	11,341
Other expenses	<u>46,743</u>
Total expenses	<u><u>138,093</u></u>
Net income	<u><u>\$ 216,776</u></u>

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

BACHER & COMPANY, INC.

STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY

For the Year Ended December 31, 2009

	Common Stock		Additional Paid-in Capital	Retained Earnings	Total
	Shares	Amount			
Balances, December 31, 2008	1,000	\$ 1,000	\$ 684,110	\$ (211,625)	\$ 473,485
Shareholder distributions				(178,000)	(178,000)
Net income (loss)				216,776	216,776
Balances, December 31, 2009	<u>1,000</u>	<u>\$ 1,000</u>	<u>\$ 684,110</u>	<u>\$ (172,849)</u>	<u>\$ 512,261</u>

The accompanying notes are an integral part of these financial statements

BACHER & COMPANY, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2009

	2008
Cash flows from operating activities:	
Net income	\$ 216,776
Adjustments to reconcile net income to net cash flows from operating activities:	
Changes in operating assets and liabilities	
Commissions receivable	(12,309)
Accrued expenses	(4,166)
Net cash provided by operating activities	200,301
Cash flows from investing activities:	
Marketable securities	(21,681)
Net cash used by investing activities	(21,681)
Cash flows from financing activities:	
Shareholder distributions	(178,000)
Net cash used in financing activities	(178,000)
Net increase in cash and cash equivalents	620
Cash and cash equivalents at beginning of period	5,800
Cash and cash equivalents at end of period	\$ 6,420

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

BACHER & COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2009

Note 1 – Summary of Significant Accounting Policies

Nature of Business

Bacher & Company, Inc. (“the Company”) is a securities broker-dealer, registered with the Securities Exchange Commission (“SEC”), a member of the Financial Industry Regulatory Authority (“FINRA”), and a member of the Securities Investor Protection Corporation (“SIPC”). The Company was incorporated on December 11, 2000 and began operations on January 1, 2001. The Company’s brokerage activity is transacted on a fully disclosed basis through a clearing broker.

The Company’s commission income is substantially derived from purchases and sales of securities on behalf of related parties. The Company does not engage in proprietary trading activities.

As is typical in the industry, the Company engages in activities with various financial institutions and brokers. In the event these counter parties do not fulfill their obligations, the Company may be exposed to risks.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, the Company considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash balances in excess of FDIC and similar insurance coverage are subject to the usual banking risks associated with funds in excess of those limits. At December 31, 2009, the Company had no uninsured cash balances.

Income Taxes

The Company, with the consent of its shareholder, has elected under the Internal Revenue Code to be an S corporation for both federal and state income tax purposes. In lieu of corporation income taxes, the shareholders of an S corporation are taxed on their proportionate share of the Company’s taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements.

Securities and Transactions and Valuations

Securities transactions and related commission income and expenses are recorded on a settlement basis and adjusted to a trade date basis when there is a material difference between the settlement date and trade date basis.

Investments in marketable securities are valued at market. Securities not readily marketable are valued at fair value as determined by management. Unrealized gains and losses are recorded on a current basis.

BACHER & COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2009

Fair Value of Financial Instruments

All of the Company's financial assets and liabilities are carried at market value or at amounts, which, because of their short-term nature, approximate current fair value.

Note 2 – Securities Owned

At December 31, 2009, the market value of company owned marketable securities was \$475,250. Marketable securities primarily consist of corporate stocks, which are actively traded.

Note 3 – Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (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. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash distributions paid, if the resulting net capital ratio would exceed 10 to 1. Net capital and related net capital ratio fluctuate on a daily basis. As of December 2008, the net capital ratio was .01 to 1 and net capital was \$429,786, which exceeded the minimum requirement by \$424,786.

The Company's brokerage activity is transacted on a fully disclosed basis through Bear, Stearns Securities Corp. (the "Clearing Broker") and, accordingly, operates under the exemptive provisions of SEC Rule 15c3-3k (2) (II).

Note 4 – Financial Instruments with Off-Balance Sheet Risk and Concentrations of Credit Risk

The Company's customer securities activities are transacted on either a cash or margin basis. In margin transactions, the Company's Clearing Broker extends credit to the customer, subject to various regulatory and internal margin requirements, collateralized by cash and securities in the customer's account. As a result of guaranteeing customer margin balances carried by the Clearing Broker, the Company may be exposed to off-balance sheet risk in the event margin requirements are not sufficient to fully cover losses the customer may incur. At December 31, 2009, margin accounts guaranteed by the Company guaranteed by the Company were not material.

The Company is also exposed to off-balance sheet risk of loss on transactions during the period from the trade date to the settlement date, which is generally three business days. If the customer fails to satisfy its contractual obligations to the Clearing Broker, the Company may have to purchase or sell financial instruments at prevailing market prices in order to fulfill the customer's obligations. Settlement of these transactions is not expected to have a material effect on the Company's financial position.

The Company seeks to control the risks associated with its customer activities by requiring customers to maintain margin collateral in compliance with various regulatory and the Clearing Broker's guidelines. The Company monitors required margin levels daily and, pursuant to such guidelines, require customers to deposit additional collateral, or to reduce positions, when necessary.

The Company maintains cash and other deposits with banks and brokers, and, at times, such deposits exceed applicable insurance limits. The Company reduces its exposure to credit risk by maintaining such deposits with high quality financial institutions.

BACHER & COMPANY, INC.

NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Note 5 – Indemnifications

In the normal course of its business, the Company indemnifies and guarantees certain providers, such as clearing and custody agents, trustees and administrators, against specified potential losses in connection with their acting as an agent of, or providing services to the Company or its affiliates. The Company also indemnifies some clients against potential losses incurred in the event specified third-party service providers, including sub-custodians and third-party brokers, improperly execute transactions. The maximum potential amount of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the company believes that it is unlikely it will have to make material payments under these arrangements, and it has not recorded any contingent liability in the financial statements for these indemnifications.

BACHER & CO., INC.
COMPUTATION OF NET CAPITAL AND AGGREGATE INDEBTEDNESS UNDER
RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION
As of December 31, 2009

COMPUTATION OF NET CAPITAL

Total stockholder's equity		\$ 512,261
Haircuts		
Other securities	\$ 71,287	
Undue concentration	11,188	82,475
Net capital		<u>\$ 429,786</u>

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Minimum net capital requirement		<u>\$ 5,000</u>
Excess net capital at 1,500 percent		<u>\$ 424,786</u>
Excess net capital at 1,000 percent		<u>\$ 429,786</u>
Ratio: Aggregate indebtedness to net capital		<u>.01 to 1</u>

There are no material discrepancies existing between the above computation and the computation included in the Company's corresponding unaudited Form 17A-5 Part IIA filing. Accordingly, no reconciliation is deemed necessary.

Ohab and Company, P.A.

100 East Sybelia Avenue, Suite 130
Maitland, FL 32751

Certified Public Accountants

E-Mail ohabco@earthlink.net

407-740-7311
FAX 740-6441

INDEPENDENT AUDITORS' SUPPLEMENTARY REPORT ON INTERNAL ACCOUNTING CONTROL

Board of Directors
Bacher & Company, Inc.
Key Largo, Florida

In planning and performing our audit of the financial statements and supplemental schedule of Bacher & Company, Inc. for the year ended December 31, 2009, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications and comparisons and recordation of differences required by rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

Our consideration of the internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2009 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Ohak and Company, PC

Maitland, Florida
February 15, 2010