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

OMB APPROVAL

OMB Number: 3235-0123  
Expires: April 30, 2013  
Estimated average burden  
hours per response ..... 12.00

SEC FILE NUMBER

8- 45173

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 01/01/2011 AND ENDING 12/31/2011  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Brockett Tamny & Co. Incorporated

OFFICIAL USE ONLY

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

FIRM I.D. NO.

444 S. Flower Street, Suite 2350

(No. and Street)

Los Angeles

CA

90071-2901

(City)

(State)

(Zip Code)

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

Peter C. Brockett

213-452-4433

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Elizabeth Tractenberg, CPA

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

3832 Shannon Road,

Los Angeles

CA

90027

(Address)

(City)

(State)

(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 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 (06-02)

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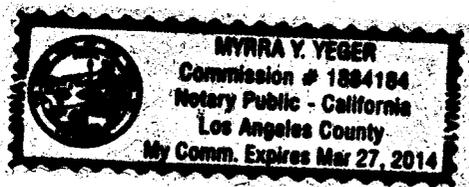
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OATH OR AFFIRMATION

I, Peter C. Brockett, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Brockett Tamny & Co. Incorporated, as of December 31, 2011, 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:

None



Signature: Peter C. Brockett
Title: MANAGING DIRECTOR

Notary Public

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 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 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).

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Los Angeles

On February 15, 2015 before me, Myrra Yeger  
Date Here Insert Name and Title of the Officer

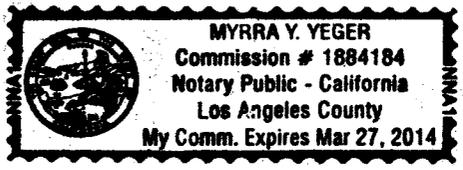
personally appeared Peter Charles Brockett  
Name(s) of Signer(s)

2169 Adair, San Marino, CA 91108

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal Above

Signature: [Signature]  
Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Annual Audited Report form Jan 2011

Document Date: December 31, 2010 Number of Pages: 15

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

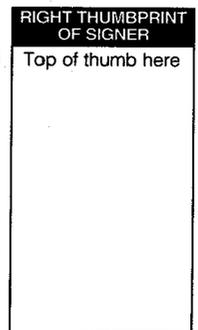
Signer's Name: Peter Charles Brockett Signer's Name: \_\_\_\_\_

- Corporate Officer — Title(s): \_\_\_\_\_
- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: Self

- Corporate Officer — Title(s): \_\_\_\_\_
- Individual
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

**Brockett Tamny & Co. Incorporated**

**Report Pursuant to Rule 17a-5 (d)**

**Financial Statements**

**For the Year Ended December 31, 2011**

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# Elizabeth Tractenberg, CPA

3832 SHANNON ROAD  
LOS ANGELES, CALIFORNIA 90027  
323/669-0545 – Fax 323/669-0575

## Independent Auditor's Report

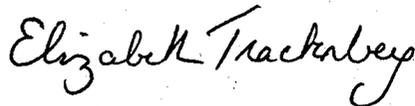
Board of Directors  
Brockett Tamny & Co. Incorporated  
Los Angeles, California

I have audited the accompanying statement of financial condition of Brockett Tamny & Co. Incorporated (the Company) as of December 31, 2011 and related statements of income (loss), changes in financial condition, and changes in shareholders' equity for the year then ended. These financial statements are being filed pursuant to Rule 17a-5 of the Securities Exchange Act of 1934 and include the supplemental schedule of the net capital computation required by rule 15c3-1. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, such financial statements referred to above present fairly, in all material respects, the financial condition of the Company as of December 31, 2011 and the related statements of income (loss), changes in financial condition and shareholders' equity for the year then ended in conformity with accounting principles generally accepted in the United States.

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



Elizabeth Tractenberg, CPA  
Los Angeles, California  
January 25, 2012

**Brockett Tamny & Co. Incorporated**  
**Statement of Financial Condition**  
**December 31, 2011**

**Assets**

Cash checking	\$ 330
Advance to affiliates	2,978
Prepaid FINRA fees	784
Investments in securities	<u>36,765</u>
<b>Total assets</b>	<b><u>\$ 40,857</u></b>

**Liabilities and Shareholders' Equity**

**Liabilities**

Accounts payable and accrued expenses	\$ 2,261
Payable to affiliates	11,925
Payable to shareholders	<u>2,230</u>
<b>Total liabilities</b>	<b><u>16,416</u></b>

**Shareholders' Equity**

Common stock (\$1 par value, 100,000 shares authorized and issued; 9,513 shares outstanding)	\$ 9,492
Paid-in capital	297,508
Retained earnings (deficit)	<u>(282,559)</u>
<b>Total liabilities and shareholders' equity</b>	<b><u>\$ 40,857</u></b>

See Accompanying Notes to Financial Statements

**Brockett Tamny & Co. Incorporated**  
**Statement of Income (Loss)**  
**For the Year Ended December 31, 2011**

Revenue	
Consulting fees	\$ 52,000
Unrealized gain on investment	1,170
Interest and other income	<u>7</u>
Total Revenue	53,177
Expenses	
Commissions expense	9,500
Insurance	17,197
Professional services	3,115
Regulatory fees	1,447
Rent	37,230
Telephone	4,613
All other	<u>1,484</u>
Total Expenses	74,586
Income (Loss) Before Tax Provision	(21,409)
Income tax provision	<u>800</u>
Net Income (Loss)	<u>\$ (22,209)</u>

See Accompanying Notes to Financial Statements

**Brockett Tamny & Co. Incorporated**  
**Statement of Changes in Shareholders' Equity**  
**For the Year Ended December 31, 2011**

	Common Stock Shares	Common Stock	Paid-In Capital	Retained Earnings (Deficit)	Total
Balance, December 31, 2010	9,293	\$9,272	\$ 283,728	\$ (260,350)	\$ 32,650
Capital Contribution	220	220	13,780		14,000
Net Income (loss)	_____	_____	_____	(22,209)	(22,209)
Balance, December 31, 2011	<u>9,513</u>	<u>\$9,492</u>	<u>\$ 297,508</u>	<u>\$ (282,559)</u>	<u>\$ 24,441</u>

See Accompanying Notes to Financial Statements

**Brockett Tamny & Co. Incorporated**  
**Statement of Changes in Financial Condition**  
**For the Year Ended December 31, 2011**

Cash Flows from Operating Activities:	
Net income (loss)	\$ (22,209)
Unrealized gain on investments	(1,170)
Changes in operating assets and liabilities:	
Prepaid expenses	(269)
Advances to and from affiliates	(1,441)
Accounts payable and accrued expenses	<u>(410)</u>
Net cash provided in operating activities	(25,499)
Cash Flows from Investing Activities:	
	<u>-</u>
Cash Flows from Financing Activities:	
Capital contribution	14,000
Loans from shareholders	<u>(5,000)</u>
Cash Flows from Financing Activities	<u>9,000</u>
Net increase (decrease) in cash	(16,499)
Cash at beginning of year	<u>16,829</u>
Cash at end of year	<u>\$ 330</u>

**SUPPLEMENTAL INFORMATION**

Interest paid	<u>-</u>
Income taxes paid	<u>\$ 800</u>

See Accompanying Notes to Financial Statements

**Brockett Tamny & Co. Incorporated**  
**Notes to Financial Statements**  
**December 31, 2011**

**NOTE 1 - NATURE OF BUSINESS**

Brockett Tamny & Co. Incorporated (the Company), a California Corporation, located in Los Angeles, California was incorporated July 13, 1990.

The Company is a broker-dealer having been approved by the National Association of Securities Dealers, Inc. ("NASD") on April 27, 1993. The NASD and NYSE Member Regulation consolidated in 2007 to form the Financial Industry Regulatory Agency ("FINRA"). The Company's business is to raise capital and provide merger and acquisition services. The Company operates pursuant to the (k) (2) (i) exemptive provision of the SEC Rule 15c3-3, pursuant to SEC Rule 17a-5(d)(3) and does not hold customer funds or securities. As a result, the Company is exempt from certain provisions and requirements of the Securities Exchange Commission.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation** - The preparation of financial statements in conformity with generally accepted accounting principles 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 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 all highly liquid investments with original maturities of three months or less to be cash equivalents.

**Investments** - Investments in securities are valued at current value.

**Property, Equipment and Depreciation** - Property and equipment are carried at cost. Depreciation is calculated using a modified accelerated cost recovery system. The estimated lives of the depreciable assets range from five to seven years.

**Revenue Recognition** - The Company recognizes revenue upon rendering of services. Receivables longer than one year are treated as deferred income.

**Income taxes** - Income taxes are provided based on earnings reported for financial statement purposes. In accordance with FASB ASC Statement No. 740, the asset and liability method requires the recognition of deferred tax liabilities and assets for the expected future tax consequences of temporary differences between tax basis and financial reporting basis of assets and liabilities.

**Brockett Tamny & Co. Incorporated**  
**Notes to Financial Statements**  
**December 31, 2011**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Recent accounting pronouncements** – The Financial Accounting Standards Board (“FASB”) implemented the FASB Accounting Standards Codification (Codification) effective July 1, 2009. The Codification has become the source of authoritative Generally Accepted Accounting Principles (“GAAP”) recognized by FASB to be applied to nongovernmental entities. On the effective date of the Codification, the Codification superseded all then existing accounting and reporting standards. All other non-grand-fathered accounting literature not included in the FASB Codification has become non-authoritative. References to GAAP included in the FASB Codification are noted as Accounting Standards Codification (“ASC”).

Following the effective date of the Codification, FASB will not release new standards in the form of Statements, FASB Staff Positions, or Emerging Issues Task Force Contracts, but instead will issue Accounting Standards Updates. Updates will not be considered authoritative in their own right, but will serve only to update the Codification, provide background information about the guidance in the Codification, and provide the basis for the changes in the Codification.

NOTE 3 – RELATED PARTIES – AFFILIATED ENTITIES

The Company provides advisory support services to an affiliated partnership for a management fee of \$500 per month, payable quarterly. \$1,500 was paid during the year. The Company also advances funds toward payment of expenses on behalf of, and borrows funds from, several entities [2 general partnerships and 1 LLC] in which the officers of the Company have majority ownership. At December 31, 2011, the amount due from these affiliated entities was \$2,978 and due to these affiliates was \$11,925.

In addition, the balance of funds borrowed from shareholders was \$2,230. These temporary loans are interest free.

NOTE 4 – OPERATING LEASE COMMITMENTS

The Company subleases facilities in the County of Los Angeles under a short-term agreement expiring in 2012.

NOTE 5 - INCOME TAXES

The Company’s fiscal year ends December 31, 2011. The Company will file an income tax return on the cash basis. The provision for income taxes for the year consists of the following:

Federal Current	\$ 0
State Current	<u>800</u>
	<u>\$ 800</u>

**Brockett Tamny & Co. Incorporated**  
**Notes to Financial Statements**  
**December 31, 2011**

**NOTE 6 - NET CAPITAL REQUIREMENT**

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities and Exchange Act of 1934, the Company is required to maintain a minimum net capital (\$5,000) as defined under such provisions. See page 9 for the computation of net capital.

**NOTE 7 - SIPC SUPPLEMENTARY REPORT REQUIREMENT**

The Company is not required to complete the SIPC Supplementary Report under SEC Rule 17a-5(e) (4) for fiscal year ending December 31, 2011 because the Company's SIPC Net Operating Revenues are under \$500,000.

**NOTE 8 – SUBSEQUENT EVENTS**

Management has reviewed the results of operations for the period of time from its year end December 31, 2011 through January 25, 2012, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying combined financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**Brockett Tamny & Co. Incorporated**  
**Schedule I - Computation of Net Capital in Requirements Pursuant**  
**To Rule 15c3-1 of the Securities and Exchange Commission**  
**December 31, 2011**

Computation of Net Capital	
Total ownership equity from statement of financial condition	\$ 24,441
Nonallowable assets	
Due from affiliates	(2,978)
Prepaid FINRA fees	(784)
Haircuts including haircuts for undue concentration	<u>(9,192)</u>
Net Capital	<u>\$ 11,487</u>
Computation of Net Capital Requirements	
Minimum net aggregate indebtedness -	
6-2/3% of net aggregate indebtedness	<u>1,094</u>
Minimum dollar net capital required	<u>5,000</u>
Net Capital required (greater of above amounts)	<u>5,000</u>
Excess Capital	<u>\$ 6,487</u>
Excess net capital at 1000% (net capital less 10% of aggregate indebtedness)	<u>\$ 9,846</u>
Computation of Aggregate Indebtedness	
Total liabilities	<u>\$ 16,416</u>
Aggregate indebtedness to net capital	1.43 to 1
The following is a reconciliation of the above net capital computation with the Company's corresponding unaudited computation pursuant to Rule 179-5(d)(4):	
Net Capital per Company's Computation	\$ 11,077
Variance -	
Decrease in accrued expenses	410
Haircuts adjustment	<u>-</u>
Net Capital per Audited Report	<u>\$ 11,487</u>

See Accompanying Notes to Financial Statements

**Brockett Tamny & Co. Incorporated**  
**Schedule II – Computation for Determination of Reserve**  
**Requirements Pursuant to Rule 15c3-3**  
**as of December 31, 2011**

A computation of reserve requirement is not applicable to Brockett Tamny & Co. Incorporated as the Company qualifies for exemption under Rule 15c3-3 (k) (2) (i).

**Brockett Tamny & Co. Incorporated**  
**Schedule III – Information Relating to Possession or Control**  
**Requirements Under Rule 15c3-3**  
**as of December 31, 2011**

Information relating to possession or control requirements is not applicable to Brockett Tamny & Co. Incorporated as the Company qualifies for exemption under Rule 15c3-3 (k) (2) (i).

**Elizabeth Tractenberg, CPA**  
3832 SHANNON ROAD  
LOS ANGELES, CALIFORNIA 90027  
323/669-0545 – Fax 323/669-0575  
elizabeth@tractenberg.net

**Part II**  
**Report on Internal Control Required by SEC Rule 17a-5(g)(1) for a  
Broker-Dealer Claiming an Exemption from SEC Rule 15c3-3**

Board of Directors  
Brockett Tamny & Co. Incorporated  
Los Angeles, California

In planning and performing my audit of the financial statements of Brockett Tamny & Co. Incorporated (the Company), as of and for the year ended December 31, 2011, in accordance with auditing standards generally accepted in the United States of America, I considered the Company's internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g) (1) of the Securities and Exchange Commission (SEC), I have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that I 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, I 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

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 previously 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 conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Board of Directors  
Brockett Tamny & Co. Incorporated  
Los Angeles, California

Report on Internal Control Page 2

Because of inherent limitations in internal control and the practices and procedures referred to above, error 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.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

My consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined previously.

I 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 my study, I believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2011 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 FINRA, 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.



Elizabeth Tractenberg, CPA  
Los Angeles, California  
January 25, 2012

#### 4 Confirmation

Your transfer has been submitted. You may wish to print this page for your records.

**Transfer reference number:** 4357678

**From:** BT INVESTMENT PARTNERS - 50308637

**To:** BROCKETT TAMNY CO INC - 50900307

**Transfer requested for:** 02/15/12

**Transfer will occur on:** 02/15/12

**Amount:** \$1,800.00

**Status:** Completed

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[Create New Transfer](#)