

PUBLIC
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
8-27911

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: Kaufman + Company, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

101 Federal Street

(No. and Street)

Boston

(City)

MA

(State)

02110

(Zip Code)

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

Sumner Kaufman

617-426-0444

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Starr, Finer, Starr LLP

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

1280 Soldiers Field Road

(Address)

Boston

(City)

MA

(State)

02135

(Zip Code)

CHECK ONE:

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

SECURITIES AND EXCHANGE COMMISSION
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REGISTRATIONS BRANCH
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*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)

AB
3/12

OATH OR AFFIRMATION

I, Sumner Kaufman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Kaufman & Company, LLC, 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:

[Signature]
Signature
Partner
Title

[Signature]
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).

KAUFMAN & COMPANY, LLC

DECEMBER 31, 2011 AND 2010

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Financial Statement	
Balance Sheets	2
Notes to the Balance Sheets	3-4

STARR, FINER, STARR LLP

CERTIFIED PUBLIC ACCOUNTANTS

1280 SOLDIERS FIELD ROAD

BOSTON, MASS. 02135-1096

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ARTHUR G. GOLDSTEIN, C.P.A.
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INDEPENDENT AUDITOR'S REPORT

Members
Kaufman & Company, LLC

We have audited the accompanying balance sheets of Kaufman & Company, LLC as of December 31, 2011 and 2010, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These balance sheets are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 balance sheets are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the balance sheets. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall balance sheet presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the balance sheets referred to above present fairly, in all material respects, the financial position of Kaufman & Company, LLC as of December 31, 2011 and 2010 in conformity with accounting principles generally accepted in the United States of America.

Arthur G. Goldstein LLP

February 16, 2012

KAUFMAN & COMPANY, LLC

Balance Sheets as of December 31,

	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
CURRENT:		
Cash	\$ 144,267	\$ 57,532
Accounts Receivable-Trade	13,511	4,132
Prepaid Expenses	<u>1,166</u>	<u>1,166</u>
Total Current Assets	<u>158,944</u>	<u>62,830</u>
PROPERTY AND EQUIPMENT, at Cost	29,048	96,341
Accumulated Depreciation	<u>27,622</u>	<u>71,219</u>
	<u>1,426</u>	<u>25,122</u>
OTHER:		
Restricted Cash	--	22,522
	\$ <u>160,370</u>	\$ <u>110,474</u>

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES:		
Current:		
Accounts Payable	\$ 11,668	\$ 7,778
Other Accruals	<u>33,683</u>	<u>35,094</u>
Total Current Liabilities	45,351	42,872
MEMBERS' EQUITY	<u>115,019</u>	<u>67,602</u>
	\$ <u>160,370</u>	\$ <u>110,474</u>

COMMITMENTS AND CONTINGENCIES (NOTE D)

(See Accompanying Notes to the Balance Sheets)

KAUFMAN & COMPANY, LLC

Notes to the Balance Sheets as of December 31, 2011 and 2010

NOTE A - NATURE OF ORGANIZATION

Kaufman & Company, LLC, is a Massachusetts registered broker-dealer offering financial advisory services primarily in connection with arranging private placements, mergers and acquisitions.

In accordance with the operating agreement, the Company shall continue in existence until December 31, 2053 unless dissolved sooner.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounts Receivable. Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States of America require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

Property and Equipment. The cost and estimated service lives used in computing depreciation are as follows:

	<u>SERVICE YEARS</u>	<u>2011</u>	<u>2010</u>
Furniture and Fixtures	5-7	\$ 29,048	\$ 29,048
Automobile	5	--	67,293
		\$ <u>29,048</u>	\$ <u>96,341</u>

Depreciation and amortization have been computed on straight line and accelerated methods. During 2011, the cost of automobile sold totaling \$67,293 and the accumulated depreciation applicable thereto have been eliminated from the accounts and the resulting gain is included in operations.

Income Taxes. No provision has been made for Federal or state taxes as the net loss flows through to the members.

The Company's income tax returns are subject to examination by taxing authorities generally for a period of three years from the date they are filed. At December 31, 2011, the years 2008-2010 are open for examination.

KAUFMAN & COMPANY, LLC

Notes to the Balance Sheets as of December 31, 2011 and 2010
(Continued)

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising. The Company charges advertising costs to operations when incurred.

Concentration of Credit Risk. The Company maintains its cash account in one financial institution. At times, the balance may exceed federally insured limits. The Company has not experienced any loss in such account.

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

NOTE C - RETIREMENT PLAN

The Company sponsors a profit sharing plan and makes annual contributions, dependent upon profits and at the discretion of management, to the trustee of the profit sharing trust to provide funds with which to pay benefits to employees at retirement. Contributions charged to operations totaled \$0 in each of 2011 and 2010.

NOTE D - COMMITMENTS AND CONTINGENCIES

The Company is obligated under a 39 month lease agreement for office space expiring December 2014. Provisions of the lease agreement include: (1) payment of certain operating costs and real estate taxes and (2) three months of free rent. Annual minimum future rental payments under the noncancellable lease agreement are as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2012	\$ 115,840
2013	115,840
2014	115,840

Rentals charged to operations totaled \$120,400 and \$126,356 in 2011 and 2010 respectively.

NOTE E - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 16, 2012 the date on which the financial statements were available to be issued.