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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20540

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

FEB 25 2014
Washington DC
408

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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 01/01/2013 AND ENDING 12/31/2013
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: JACK V. BUTTERFIELD INVESTMENT CO.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

100 S. JACKSON, SUITE 100

(No. and Street)

JACKSON

MI

49201

(City)

(State)

(Zip Code)

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

CHRISTINE WARD

(517) 788-8660

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

WILLIS & JURASEK PC

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

2545 SPRING ARBOR RD

JACKSON

MI

49203

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant PCAOB 3858
- 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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3/18/14

OATH OR AFFIRMATION

I, JOHN C BUTTERFIELD, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of JACK V BUTTERFIELD INVESTMENT COMPANY, as of DECEMBER 31, 2013, 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:

AIMEE SWIATLOWSKI
NOTARY PUBLIC, STATE OF MI
COUNTY OF JACKSON
MY COMMISSION EXPIRES Apr 22, 2020
ACTING IN COUNTY OF JACKSON
Aimee Swiatlowski
AIMEE SWIATLOWSKI
Notary Public

John C Butterfield
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 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).



Independent Auditors' Report

Board of Directors
Jack V. Butterfield Investment Company

We have audited the accompanying financial statements of Jack V. Butterfield Investment Company (a Michigan corporation), which comprise the statement of financial condition as of December 31, 2013, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 as established by the Auditing Standards Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Jack V. Butterfield Investment Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

JACKSON
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Phone (517) 788-8660 | Fax (517) 788-9872

WILLIS & JURASEK, P.C.
E-Mail: willis@willispc.com
Website: www.willispc.com

GRAND RAPIDS
2759 West River Drive, NW
Grand Rapids, MI 49544
Phone: (616) 361-0011 ; Fax (616) 361-0154

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jack V. Butterfield Investment Company as of December 31, 2013 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Willis & Jurasek, P.C.

Willis & Jurasek, P.C.

February 10, 2014

JACK V. BUTTERFIELD INVESTMENT COMPANY
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

ASSETS

CURRENT ASSETS:

Cash	\$ 523,109
Cash-Reserve Account	234,161
Accounts Receivable - customer and brokers	
Accounts Receivable - due from clearing	50,000
Accounts Receivable - commission	139,124
Company Owned Securities	175,883
Prepaid Expenses	12,271
Total current assets	<u>1,134,548</u>

PROPERTY AND EQUIPMENT - AT COST

Leasehold improvements	36,271
Furniture and fixtures	48,939
	<u>85,210</u>
Less: Accumulated depreciation	66,197
Total property and equipment	<u>19,013</u>

TOTAL ASSETS

\$ 1,153,561

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES

Accounts Payable - customers and brokers	\$ -
Accounts Payable	24,885
Accrued Expenses	34,077
Advances from - Stockholder	721,298
Total current liabilities	<u>780,260</u>

STOCKHOLDER'S EQUITY:

Common Stock - \$1.00 stated value; authorized 25,000 shares; issued and outstanding 9,565	9,565
Retained earnings	363,736
	<u>373,301</u>

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY

\$ 1,153,561

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

JACK V. BUTTERFIELD INVESTMENT COMPANY
STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2013

INCOME:	
Commissions - stock	\$ 636,532
Commissions - mutual funds	1,153,942
Commissions - managed accounts	151,618
Commissions - variable annuities	57,078
Profits - sale of securities	22,320
Miscellaneous income	15,951
TOTAL INCOME	<u><u>2,037,441</u></u>
EXPENSES:	
Officer's Salaries	226,000
Commissions	293,385
Clerical and Administrative employees	541,550
Clearance paid to Brokers	54,784
Communications	15,532
Occupancy and Equipment	63,086
Promotion Costs	20,817
Data Processing Costs	31,763
Regulatory fees and expenses	11,009
Other Expenses	58,217
TOTAL EXPENSES	<u><u>1,316,143</u></u>
NET INCOME	<u><u>\$ 721,298</u></u>
Earnings per share of Common Stock	<u><u>\$ 75.41</u></u>

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

JACK V. BUTTERFIELD INVESTMENT COMPANY
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
YEAR ENDED DECEMBER 31, 2013

	<u>COMMON STOCK</u>		<u>RETAINED</u>	<u>TOTAL</u>
	<u>SHARES</u>	<u>AMOUNT</u>	<u>EARNINGS</u>	<u>STOCKHOLDER'S</u>
			<u>EARNINGS</u>	<u>EQUITY</u>
Balance - Beginning of year	9,565	\$ 9,565	\$ 363,736	\$ 373,301
Add: Net Income for the year			721,298	721,298
Less: Dividend			(721,298)	(721,298)
Balance - End of year	9,565	\$ 9,565	\$ 363,736	\$ 373,301

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

JACK V. BUTTERFIELD INVESTMENT COMPANY
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income	\$ 721,298
Adjustments to reconcile net income to net cash provided by operating activities	
Depreciation	5,937
(Increase) decrease in:	
Accounts receivable	(3,440)
Securities owned	90,207
Prepaid expenses	(2,150)
Increase (decrease) in:	
Accounts payable	1,833
Accrued liabilities	22,945
Dividend payable	142,856
Net cash provided by operating activities	<u>979,486</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES:	
Purchase of property and equipment	(5,030)
CASH FLOWS FROM FINANCIAL ACTIVITIES:	
Dividend paid	<u>(721,298)</u>
NET INCREASE (DECREASE) IN CASH	253,158
CASH AT BEGINNING OF YEAR	<u>504,112</u>
CASH AT END OF YEAR	<u><u>\$ 757,270</u></u>
SUPPLEMENTAL DISCLOSURES:	
Noncash investing and financing transactions	\$ -
Interest paid	\$ -
Income taxes paid	\$ -

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

Jack V. Butterfield Investment Company
Notes to Financial Statements

Note 1 - Summary of Significant Accounting Policies

Nature of Business

The Company is a securities broker-dealer registered with the Securities and Exchange Commission and is a member of the NASDAQ stock market and the National Association of Securities Dealers (NASD). The company is also a licensed member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation. The Company operates one office and serves primarily the Jackson, Michigan and surrounding area.

Basis of Accounting

The Company's policy is to prepare its financial statements in accordance with accounting principles generally accepted in the United States of America under the accrual basis of accounting. The accrual basis of accounting records revenue in the period in which it is earned rather than received and records expenses in the period in which incurred rather than when paid.

Security transactions (and related commission revenue and expense) are recorded on a settlement date basis. There was no material difference between trade and settlement date basis.

Cash Equivalents

The Company considers all highly-liquid investments purchased with an initial maturity of three months or less to be cash equivalents. The Company maintains its deposits at financial institutions, which at times may exceed federally insured limits.

Commissions Receivable

Receivables arising from commissions earned are accounted for on the accrual basis and become past due after 30 days. Management provides for probable uncollectible amounts, if needed, through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. No allowance for doubtful accounts is considered necessary at this time.

Property, Equipment, and Depreciation

Property and equipment is recorded at cost. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Depreciation is computed using the straight-line method over the useful lives of the related assets.

Property, Equipment, and Depreciation (Continued)

Management annually reviews these assets to determine whether carrying values have been impaired. The following useful lives are being used to depreciate property and equipment:

Furniture and equipment	5-7 years
Leasehold improvements	40 years

Jack V. Butterfield Investment Company
Notes to Financial Statements

Note 1 –Summary of Significant Accounting Policies (Continued)

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses for the year ended December 31, 2013 were \$17,955.

Minimum Capital Requirements

As a registered broker-dealer and member of the FINRA, the Company is subject to the SEC Uniform Net Capital Rule 15c3-1 which requires the maintenance of minimum regulatory net capital and requires that the ratio of aggregate indebtedness to regulatory net capital, both as defined, shall not exceed 15 to 1. As of the current year-end, the ratio of aggregate indebtedness to net capital was approximately 2.29 to 1. The Company had adjusted net capital at that date of \$340,936 which exceeds the required net capital of \$250,000.

Commission Income

Commission income is recorded on a settlement date basis and normally settled within 30 days.

Income Taxes

The Company, with the consent of its shareholder, has elected under the Internal Revenue Code to be an S Corporation. In lieu of federal corporate 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 income taxes has been included in the financial statements. It is expected the Company will declare Subchapter S distributions to the shareholder in an amount sufficient to pay the income taxes assessed at the shareholder level that are a result of the pass-through income from the Company.

In the preparation of tax returns, tax positions are taken based on interpretation of federal, state and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified or recorded as uncertain tax positions. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

Use of Estimates

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.

Jack V. Butterfield Investment Company
Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies (Continued)

Subsequent Events

Management has evaluated subsequent events through the auditors' opinion date which is the date the financial statements were available to be issued.

Note 2 – Fair Value

FASB Codification Topic, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1 Fair Value Measurements: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 Fair Value Measurements: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Fair Value Measurements: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in valuation methodologies from the previous year.

Corporate equities: Valued at the closing price of publicly traded stocks on various markets.

Mutual funds: Valued at the market price as provided by the brokerage.

Jack V. Butterfield Investment Company
Notes to Financial Statements

Note 2 – Fair Value (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its

valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents assets that are measured at fair value on a recurring basis at December 31, 2013:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash	\$ 757,270	\$ -	\$ -	\$ 757,270
Certificates of deposit	-	150,000	-	150,000
Brokerage Money Market	<u>25,883</u>	<u>-</u>	<u>-</u>	<u>25,883</u>
Total assets at fair value	<u>\$ 783,153</u>	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 933,153</u>

Note 3 - Rents and Related-Party Transactions

The Company leased its Jackson, Michigan office facility from a related party on a month-to-month basis at a cost of approximately \$2,040 per month. The sole stockholder of the Company is a member of the related party that owns the building. Rent expense for the year ended December 31, 2013 was \$23,260.

The Company owed the stockholder \$721,298 as of year-end. This amount will be paid over the course of the coming year.

Note 4 - Fair Value of Financial Instruments and Credit Risk.

The carrying amount of cash and cash equivalents, receivables and accounts payable approximates fair value due to the short-term maturities of those instruments.

The Company is required to disclose significant concentrations of credit risk regardless of the degree of such risk. Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and receivables. Although cash balances may exceed the federally insured limits at times, in the opinion of management, they are subject to minimal risk. Likewise, receivables are considered subject to minimal risk as they were substantially collected subsequent to year-end.

Note 5 - Securities and Exchange Commission Report

Part IIA of the Company's December 31, 2013, Securities and Exchange Commission Report, Form X-17A-5, is available for examination and copying at 100 S. Jackson Street, Suite 100, Jackson, Michigan or at the Chicago, Illinois office of the Securities and Exchange Commission.

Jack V. Butterfield Investment Company
Notes to Financial Statements

Note 6 – Profit Sharing Plan

The Company has a defined contribution profit sharing plan covering all full time employees who have completed three months of service. The profit sharing plan provides for the employer to contribute a discretionary amount out of its current profits, as defined in the plan agreement. For the year ended December 31, 2013, the Company contributed \$100,000 to the plan.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

JACK V BUTTERFIELD INVESTMENT COMPANY

as of 12/31/2013

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$	373,301		3480
2. Deduct ownership equity not allowable for Net Capital			19	3490
3. Total ownership equity qualified for Net Capital		373,301		3500
4. Add:				
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital		-0-		3520
B. Other (deductions) or allowable credits (List)				3525
5. Total capital and allowable subordinated liabilities	\$	373,301		3530
6. Deductions and/or charges:				
A. Total non-allowable assets from				
Statement of Financial Condition (Notes B and C)	17	\$ 31,285		3540
B. Secured demand note delinquency				3590
C. Commodity futures contracts and spot commodities – proprietary capital charges				3600
D. Other deductions and/or charges				3610
7. Other additions and/or allowable credits (List)			(31,285)	3620
8. Net capital before haircuts on securities positions				3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):	20	\$		342,016
A. Contractual securities commitments		\$		3660
B. Subordinated securities borrowings				3670
C. Trading and investment securities:				
1. Exempted securities	18			3735
2. Debt securities				3733
3. Options				3730
4. Other securities		1,080		3734
D. Undue Concentration				3650
E. Other (List)			(1,080)	3740
10. Net Capital	\$	340,936		3750

OMIT PENNIES

*There are no material differences between unaudited computation and above computation.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIA

BROKER OR DEALER

JACK V BUTTERFIELD INVESTMENT COMPANY

as of 12/31/2013

COMPUTATION OF NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19)	\$ 52,017	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 250,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$ 250,000	3760
14. Excess net capital (line 10 less 13)	\$ 90,937	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$ 40,937	3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$ 780,260	3790
17. Add:		
A. Drafts for immediate credit	\$ 3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$ 3810	
C. Other unrecorded amounts (List)	\$ 3820	
18. Total aggregate indebtedness	\$ 780,260	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10)	%	228.86
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	N/A

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$ 3970	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 3880	3880
23. Net capital requirement (greater of line 21 or 22)	\$ 3910	3910
24. Excess capital (line 10 less 23)	\$ 3920	
25. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or \$120,000	\$ 3920	3920

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
 - 1. Minimum dollar net capital requirement, or
 - 2. 6 $\frac{2}{3}$ % of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

*There are no material differences between unaudited computation and above computation.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II**

BROKER OR DEALER

JACK V. BUTTERFIELD INVESTMENT COMPANY

as of 12/31/2013

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
FOR BROKER-DEALERS UNDER RULE 15c3-3
(See Rule 15c3-3, Exhibit A and Related Notes)**

CREDIT BALANCES

1. Free credit balances and other credit balances in customers' security accounts (see Note A, Exhibit A, Rule 15c3-3)	\$ -0-	4340	
2. Monies borrowed collateralized by securities carried for the accounts of customers (see Note B)		4350	
3. Monies payable against customers' securities loaned (see Note C)		4360	
4. Customers' securities failed to receive (see Note D)		4370	
5. Credit balances in firm accounts which are attributable to principal sales to customers		4380	
6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days		4390	
7. ** Market value of short security count differences over 30 calendar days old		4400	
8. ** Market value of short securities and credits (not to be offset by longs or by debits) in all suspense accounts over 30 calendar days		4410	
9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days		4420	
10. Other (List)		4425	
11. TOTAL CREDITS	\$ -0-		4430

DEBIT BALANCES

12. ** Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection net of deductions pursuant to Note E, Exhibit A, Rule 15c3-3	\$ -0-	4440	
13. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver		4450	
14. Failed to deliver of customers' securities not older than 30 calendar days	-0-	4460	
15. Margin required and on deposit with the Options Clearing Corporation for all option contracts written or purchased in customer accounts (see Note F)		4465	
16. Margin related to security futures products written, purchased or sold in customer accounts required and on deposit with a clearing agency or a derivative clearing organization (see note G)		4467	
17. Other (List)		4469	
18. ** Aggregate debit items	\$ -0-		4470
19. ** Less 3% (for alternative method only - see Rule 15c3-1(f)(5)(i))			(4471)
20. ** TOTAL 15c3-3 DEBITS			-0- 4472

RESERVE COMPUTATION

21. Excess of total debits over total credits (line 20 less line 11)	\$ -0-	4480
22. Excess of total credits over total debits (line 11 less line 20)	-0-	4490
23. If computation permitted on a monthly basis, enter 105% of excess of total credits over total debits	-0-	4500
24. Amount held on deposit in "Reserve Bank Account(s)", including value of qualified securities, at end of reporting period	234,161	4510
25. Amount of deposit (or withdrawal) including \$ <u>4515</u> value of qualified securities	-0-	4520
26. New amount in Reserve Bank Account(s) after adding deposit or subtracting withdrawal including \$ <u>4525</u> value of qualified securities	234,161	4530
27. Date of deposit (MMDDYY)		4540

FREQUENCY OF COMPUTATION

28. Daily 4332 Weekly 4333 Monthly x 4334

OMIT PENNIES

** In the event the Net Capital Requirement is computed under the alternative method, this "Reserve Formula" shall be prepared in accordance with the requirements of paragraph (f) of Rule 15c3-1.

*There are no material differences between unaudited computation and above computation.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

JACK V. BUTTERFIELD INVESTMENT COMPANY

as of 12/31/2013

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
FOR BROKER-DEALERS UNDER RULE 15c3-3 (continued)

EXEMPTIVE PROVISIONS

26. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based:

A. (k) (1)-Limited business (mutual funds and/or variable annuities only)	\$	N/A	4550
B. (k) (2)(i)-"Special Account for the Exclusive Benefit of customers" maintained		N/A	4560
C. (k) (2)(ii)-All customer transactions cleared through another broker-dealer on a fully disclosed basis.			
Name(s) of Clearing Firm(s) - Please separate multiple names with a semi-colon			
			4335
		N/A	4570
D. (k) (3)-Exempted by order of the Commission		N/A	4580

Information for Possession or Control Requirements Under Rule 15c3-3

State the market valuation and the number of items of:

1. Customers' fully paid securities and excess margin securities not in the respondent's possession or control as of the report date (for which instructions to reduce to possession or control had been issued as of the report date) but for which the required action was not taken by respondent within the time frames specified under Rule 15c3-3. Notes A and B			
	\$	N/A	4586
A. Number of items			4587
2. Customers' fully paid securities and excess margin securities for which instructions to reduce to possession or control had not been issued as of the report date, excluding items arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3. Notes B,C and D			
		N/A	4588
A. Number of items	\$		4589
OMIT PENNIES			
3. The system and procedures utilized in complying with the requirement to maintain physical possession or control of customers' fully paid and excess margin securities have been tested and are functioning in a manner adequate to fulfill the requirements of Rule 15c3-3 . . . Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>			
			4584
			4585

NOTES

- A--Do not include in item one customers' fully paid and excess margin securities required by Rule 15c 3-3 to be in possession or control but for which no action was required by the respondent as of the report date or required action was taken by respondent within the time frames specified under Rule 15c3-3.
- B--State separately in response to items one and two whether the securities reported in response thereto were subsequently reduced to possession or control by the respondent.
- C--Be sure to include in item two only items not arising from "temporary lags which result from normal business operations" as permitted under Rule 15c3-3.
- D--Item two must be responded to only with report which is filed as of the date selected for the broker's or dealer's annual audit of financial statements, whether or not such date is the end of a calendar quarter. The response to item two should be filed within 60 calendar days after such date, rather than with the remainder of this report. This information may be required on a more frequent basis by the Commission or the designated examining authority in accordance with Rule 17a-5(a)(2)(iv).



February 10, 2014

Jack V. Butterfield Investment Company
Jackson, Michigan

To the Shareholder:

In planning and performing our audit of the financial statements of Jack V. Butterfield Investment Company (the Company), as of and for the year ended December 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control), as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we 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), we 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 we considered relevant to the objectives stated in Rule 17a-5(g) in the following:

1. Making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and the reserve required by Rule 15c3-3(c).
2. Making the quarterly securities examinations, counts, verifications, and comparisons, and the recording of differences required by Rule 17a-13.
3. 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.
4. 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 controls 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 conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

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2545 Spring Arbor Road, Suite 200
Jackson, MI 49203-3690
Phone: (517) 788-8660 | Fax (517) 788-9872

WILLIS & JURASEK, P.C.

E-Mail: willis@willispc.com
Website: www.willispc.com

GRAND RAPIDS
2759 West River Drive, NW
Grand Rapids, MI 49544
Phone: (616) 361-0011 | Fax (616) 361-0154

Jack V. Butterfield Investment Company
February 10, 2014

Because of inherent limitations in internal control or 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 material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. 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.

Our 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. However, we identified the following deficiencies in internal control that we consider to be material weaknesses, as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures performed in our audit of the financial statements of Jack V. Butterfield Investment Company as of and for the year ended December 31, 2013, and this report does not affect our report thereon dated February 10, 2014.

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, as described in the second paragraph of this report, were adequate at December 31, 2013, 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.

Sincerely,

Willis & Jurasek, P.C.

Willis & Jurasek, P.C.



**Independent Accountants' Report on Applying Agreed-Upon Procedures
Related to An Entity's SIPC Assessment Reconciliation**

To the Shareholder:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2013, which were agreed to by Jack V. Butterfield Investment Company and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC solely to assist you and the other specified parties in evaluating Jack V. Butterfield Investment Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Jack V. Butterfield Investment Company's management is responsible for the compliance with those requirements. This agreed-upon procedures engagement was conducted 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 entries and copies of cancelled checks noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2013, as applicable, with the amounts reported in form SIPC-7 for the year ended December 31, 2013, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers including client prepared financial statements noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers and client prepared financial statements 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, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. 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 the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Willis & Jurasek, P.C.

February 10, 2014

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SIPC-7
(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION
P.O. Box 92185 Washington, D.C. 20090-2185
202-371-8300
General Assessment Reconciliation

SIPC-7
(33-REV 7/10)

For the fiscal year ended 12/31/2013
(Read carefully the instructions in 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:

012454 FINRA DEC
JACK V BUTTERFIELD INVESTMENT 15*15
PO BOX 4057
JACKSON MI 49204-4057

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.

- 2. A. General Assessment (item 2e from page 2) \$ 1836.77
- B. Less payment made with SIPC-6 filed (exclude interest) (866.41)
- _____ Date Paid _____
- C. Less prior overpayment applied (0)
- D. Assessment balance due or (overpayment) 970.36
- 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) \$ 970.36
- G. PAID WITH THIS FORM:
Check enclosed, payable to SIPC
Total (must be same as F above) \$ 970.36
- 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 thereby that all information contained herein is true, correct and complete.

JACK V. Butterfield Inv Co
(Name of Corporation, Partnership or other organization)
[Signature]
(Authorized Signature)
President
(Title)

Dated the 13 day of January, 2014.

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 Dates: _____ 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 1/1/2013
and ending 12/31/2013

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

Eliminate cents
\$ 2,1037,441

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above. 0
 - (2) Net loss from principal transactions in securities in trading accounts. 0
 - (3) Net loss from principal transactions in commodities in trading accounts. 0
 - (4) Interest and dividend expense deducted in determining item 2a. 0
 - (5) Net loss from management of or participation in the underwriting or distribution of securities. 0
 - (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. 0
 - (7) Net loss from securities in investment accounts. 0
- Total additions 0

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. 1,216,413
- (2) Revenues from commodity transactions. 0
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions. 54,783
- (4) Reimbursements for postage in connection with proxy solicitation. 0
- (5) Net gain from securities in investment accounts. 20,728
- (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. 989
- (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(9)(L) of the Act). 0
- (8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C): 9,822

(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. 0
- (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). 0

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

Total deductions

0
1,302,735
734,706
1836.77

2d. SIPC Net Operating Revenues

2e. General Assessment @ .0025

(to page 1, line 2.A.)