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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

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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 01/01/13 AND ENDING 12/31/13  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Bristol Financial Services, Inc.

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

255 Executive Drive, Suite 209

(No. and Street)

Plainview

New York

11803

(City)

(State)

(Zip Code)

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

Michael Hartzman

516 349 5555

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Kalmus, Siegel, Harris & Goldfarb, CPA's LLP

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

585 Stewart Avenue, Suite 550 Garden City

New York

11530

(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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3/24/14

OATH OR AFFIRMATION

I, Michael Hartzman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Bristol Financial Services, Inc. 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:

[Handwritten signature of Yvette Werthner]
Notary Public

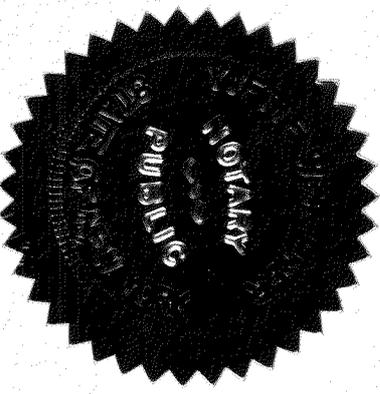
[Handwritten signature of Michael Hartzman]
Signature
President
Title

YVETTE WERTHNER
Notary Public, State of New York
No. 01WE6247668
Qualified in Suffolk County
Commission Expires August 29, 2015

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).



**BRISTOL FINANCIAL SERVICES INC.**  
**(A Corporation)**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2013**

**BRISTOL FINANCIAL SERVICES, INC.**  
**(A Corporation)**  
**DECEMBER 31, 2013**

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# KALMUS, SIEGEL, HARRIS & GOLDFARB, CPAs, LLP

585 Stewart Avenue  
Suite 550  
Garden City, New York 11530  
(516) 227-2525  
Fax (516) 227-2548

Members:  
American Institute of Certified Public Accountants  
N.Y. State Society of Certified Public Accountants

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors  
Bristol Financial Services, Inc.  
Plainview, New York 11803

We have audited the accompanying statement of financial condition of Bristol Financial Services, Inc. (a New York State corporation) (the Company), as of December 31, 2013 that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement 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 the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on this financial statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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 statement.

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

Because we were not engaged to audit the statement of income, changes in stockholders' equity, and cash flows, we did not extend our auditing procedures to enable us to express an opinion on results of operations and cash flows for the year ended December 31, 2013. Accordingly, we express no opinion on them.

***Opinion***

In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of Bristol Financial Services, Inc., as of December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the statement of financial condition. The supplementary information contained in Schedules I, II and III is presented for purposes of additional analysis and is not a required part of the financial statement, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. 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 statement. The information in Schedules I, II and III has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information in Schedules I, II and III is fairly stated in all material respects in relation to the financial statement as a whole.

  
*Kalmus, Siegel, Harris & Goldfarb, CPAs, LLP*

Garden City, New York  
February 24, 2014

**BRISTOL FINANCIAL SERVICES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2013**

**ASSETS**

Cash and cash equivalents	\$ 61,682
Due from clearing organizations	93,320
Fixed assets at cost, less accumulated depreciation of \$49,921	4,880
Other assets	320,206
	<u>\$ 480,088</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**Liabilities:**

Accounts payable, accrued expenses and other liabilities	<u>\$ 53,261</u>
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Commitments and contingencies

**Stockholders' Equity**

Common stock, no par value, 200 shares authorized, 100 shares issued and outstanding	25,000
Additional paid-in capital	116,201
Retained earnings	285,626
Total Stockholders' Equity	<u>426,827</u>
	<u>\$ 480,088</u>

See notes to financial statements

**BRISTOL FINANCIAL SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2013**

**1. ORGANIZATION & NATURE OF BUSINESS**

Bristol Financial Services, Inc. (the "Company"), founded in 2005, is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of The Financial Industry Regulatory Authority (FINRA). The Company has grown into a multi-line financial services firm serving businesses, individual clients, institutions, endowments and foundations. The Company is a New York Corporation and acts as a fully disclosed broker-dealer engaged in the following types of businesses: Listed and OTC Stocks, ETF's, Mutual Funds, Retirement Programs, Investment Advisory Services, Annuities, Bonds and Life Insurance. The business operates from an office located in Plainview, New York

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Basis of accounting***

The accompanying financial statements are presented on an accrual basis. Income is recognized when earned. The costs and expenses attributable to earning such income are reflected in the results of operations concurrently.

***Depreciation and amortization***

Fixed assets are stated at cost. Expenditures for maintenance, repairs and minor renewals are charged to operations as incurred.

Depreciation is provided on a straight-line basis using estimated useful lives of five to seven years with a half-year provision in the year of acquisition. Amortization of computer software is provided on a straight-line basis over 36 months. Depreciation and amortization expense for the year ended December 31, 2012 totaled \$5,026.

***Uncertain tax position***

The Company adopted the provisions of the *Financial Accounting Standards Board's ("FASB") Accounting Standards Codification No. 740 ("ASC 740") Subtopic 05 Accounting for Uncertainty in Income Taxes*. As a result of the implementation, the Company was not required to recognize any amounts from uncertain tax positions.

The Company's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. Generally, federal, state and local authorities may examine the Company's tax returns for three years from the date of filing; consequently, the respective tax returns for years prior to 2010 are no longer subject to examination by tax authorities.

**BRISTOL FINANCIAL SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2013**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

***Cash and cash equivalents***

Cash and cash equivalents for purposes of reporting cash flows includes cash on hand and highly liquid investments with original maturities of less than ninety days, that are not held for sale in the ordinary course of business.

***Use of estimates***

The preparation of the financial statements in conformity with U.S. 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

***Fee income***

Fee income is recorded as earned, with billed but not paid amounts reflected as accounts receivable and amounts received but not earned reflected as deferred fee income.

***Commissions***

Transactions executed by the broker-dealer as agents for customers and related commission income and expenses are recorded on a trade date basis as securities transactions occur.

***Income taxes***

No provision has been made for federal income taxes. The Company has elected to be treated as an S Corporation under the Internal Revenue Code and, where permitted, under the related sections of applicable state tax codes. The Company's stockholders include the operations of the Company in their individual income tax returns. The Company pays state franchise tax, when applicable.

**3. RELATED PARTY TRANSACTIONS**

The Company at times is advanced money by its stockholders or other stockholder owned entities on a short-term basis. At December 31, 2013, there was no money due to stockholders or stockholder owned entities.

**4. FIXED ASSETS**

Fixed assets at December 31, 2013 consisted of:

Equipment & office furniture	\$ 47,977
Computer software	<u>6,824</u>
	54,801
Less: accumulated depreciation and amortization	<u>49,921</u>
Real property, net of accumulated depreciation and amortization	<u>\$ 4,880</u>

**BRISTOL FINANCIAL SERVICES, INC.**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2013**

**5. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1) which requires the maintenance of minimum net capital and requires the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. As of December 31, 2013, the minimum net capital requirement was defined as the greater of \$5,000 or 6-2/3% of the aggregate indebtedness.

At December 31, 2013, the Company had net capital of \$101,740 which was \$96,740 in excess of its required minimum net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .52 to 1.

**6 OTHER ASSETS**

As of December 31, 2013, other assets primarily consisted of fees and commissions receivable from mutual funds and variable annuities in the amount of \$275,000.

**7. COMMITMENTS AND CONTINGENCIES**

The Company has obligations under operating leases with initial terms in excess of one year. Minimum aggregate annual rentals for office space at December 31, 2013 are approximately as follows:

<u>For the Years Ending December 31,:</u>	<u>Amount</u>
2014	\$ 76,589
2015	79,270
2016	<u>33,501</u>
	<u>\$ 189,360</u>

**8. SUBSEQUENT EVENTS**

Management of the Company has evaluated events and transactions that may have occurred since December 31, 2013 and determined that there are no material events that would require disclosures in the Company's financial statements.