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OMB Number:	3235-0123
Expires:	March 31, 2016
Estimated average burden	
hours per response.....	12.00

**ANNUAL AUDITED REPORT**  
**FORM X-17A-5** Mail Processing  
**PART III** Section

SEC FILE NUMBER
8-67294

MAR 02 2015

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
 Securities Exchange Act of 1934 and Rule 17a-5 Thereunder  
 Washington DC 200

REPORT FOR THE PERIOD BEGINNING 01/01/2014 AND ENDING 12/31/2014  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Johnston Blakely & Company, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

7 Proctor Street

(No. and Street)

Manchester

(City)

MA

(State)

01944

(Zip Code)

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

Benjamin J. Conway

(978) 526-8236

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Samet & Company, PC

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

1330 Boylston Street

(Address)

Chestnut Hill

(City)

MA

(State)

02467

(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)

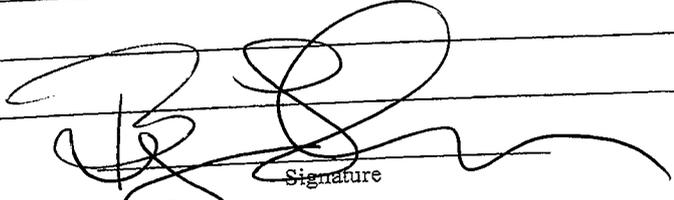
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

02/31/15

OATH OR AFFIRMATION

I, Benjamin J. Conway, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Johnston Blakely & Company, LLC of December 31, 2014, 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  
PRINCIPAL  
Title

  
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).

**JOHNSTON BLAKELY & COMPANY, LLC**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**Year Ended December 31, 2014**

## TABLE OF CONTENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	1
FINANCIAL STATEMENTS	
Statement of Financial Condition	2
Statement of Income	3
Statement of Changes in Member's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8
SUPPLEMENTAL SCHEDULES	
Computation of Net Capital Pursuant to Uniform Net Capital Rule 15c3-1	9



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Member of  
Johnston Blakely & Company, LLC

We have audited the accompanying financial statements of Johnston Blakely & Company, LLC (a Massachusetts limited liability company) (the "Company") which comprise the statement of financial condition as of December 31, 2014, and the related statements of income, changes in member's equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements and supplemental information. The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of Johnston Blakely & Company, LLC as of December 31, 2014, 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.

The Computation of Net Capital Pursuant to Uniform Net Capital Rule 15c3-1 has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Chestnut Hill, Massachusetts  
February 16, 2015

JOHNSTON BLAKELY & COMPANY, LLC  
STATEMENT OF FINANCIAL CONDITION  
December 31, 2014

ASSETS

Cash \$ 20,807

LIABILITIES AND MEMBER'S EQUITY

Accounts payable \$ 99

Member's equity 20,708

\$ 20,807

JOHNSTON BLAKELY & COMPANY, LLC

STATEMENT OF INCOME  
Year Ended December 31, 2014

Revenue:	
Investment banking	\$ <u>747,251</u>
Operating expenses:	
Rent	9,000
Telephone	2,845
Travel and entertainment	15,780
Professional fees	4,248
Licenses and permits	3,710
Other expenses	<u>2,653</u>
	<u>38,236</u>
Net income	\$ <u><u>709,015</u></u>

See notes to financial statements

**JOHNSTON BLAKELY & COMPANY, LLC**  
**STATEMENT OF CHANGES IN MEMBER'S EQUITY**  
**Year Ended December 31, 2014**

Balance, January 1, 2014	\$	53,693
Net income		709,015
Contributions from member		5,000
Distributions to member		<u>(747,000)</u>
Balance, December 31, 2014	\$	<u>20,708</u>

See notes to financial statements

JOHNSTON BLAKELY & COMPANY, LLC

STATEMENT OF CASH FLOWS

Year Ended December 31, 2014

Cash flows from operating activities:	
Net income	\$ 709,015
Adjustment to reconcile net income to net cash provided by operating expenses:	
Decrease in accounts receivable	22,640
Increase in accounts payable	<u>99</u>
Net cash provided by operating activities	<u>731,754</u>
Cash flows from financing activities:	
Member contributions	5,000
Member distributions	<u>(747,000)</u>
Net cash used for financing activities	<u>(742,000)</u>
Net decrease in cash during the year	(10,246)
Cash, beginning of year	<u>31,053</u>
Cash, end of year	\$ <u><u>20,807</u></u>

JOHNSTON BLAKELY & COMPANY, LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2014

Note 1

Organization and nature of business

Johnston Blakely & Company, LLC (the "Company") was formed in 2006 and is a Massachusetts limited liability company. The Company advises on and negotiates mergers, acquisitions, and private placements for established and emerging companies in the life sciences industries. The Company is a registered broker under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). As provided for in the Company's limited liability agreement, the Company will continue until December 31, 2100 unless terminated sooner pursuant to the limited liability agreement. No member shall be liable for the debts, liabilities, contracts or other obligations of the Company as a result of being a member of the Company.

Note 2

Summary of significant accounting policies

Revenue recognition

The Company enters into contracts with customers for advisory services and service fees based on a fixed percentage of the total consideration paid once the merger, acquisition or private placement (the "Transaction") is closed. Accordingly, management recognizes advisory fees when services are performed and recognizes success fees when the transaction is completed.

Income taxes

The sole member of the Company has elected to have the Company taxed as a single-member LLC. Accordingly, the Company is not subject to federal or state income taxes. All taxable income/loss and tax credits are reflected on the income tax returns of the member.

Income tax positions

The Financial Accounting Standards Board ("FASB") has issued a standard that clarifies the accounting and recognition of income tax positions taken or expected to be taken in the Company's income tax returns. The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates. The Company believes that income tax positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Company's financial condition, results of operations or cash flows. Accordingly, the Company has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions.

JOHNSTON BLAKELY & COMPANY, LLC

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 2

Summary of significant accounting policies (continued)

Income tax positions (continued)

If the Company incurs interest or penalties as a result of unrecognized tax positions the policy is to classify interest accrued with interest expense and penalties thereon with operating expenses. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company's federal and state income tax returns are generally open for examination for the past three years.

Fair value of financial instruments

The carrying amounts of financial instruments, including cash, and accounts payable approximates fair value due to the short maturities of these asset and liabilities.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Subsequent events

The Company has evaluated subsequent events through February 16, 2015, which is the date the financial statements were available to be issued.

Note 3

Net capital requirements

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of a minimum net capital balance and requires that the Company's aggregate indebtedness to net capital, as defined, shall not exceed 15 to 1. At December 31, 2014 the Company's net capital was \$20,708, which was \$15,708 in excess of its required net capital of \$5,000. The Company's aggregate indebtedness to net capital was 0.0048 to 1.

Note 4

Concentrations

Customers

The Company earned 92% of its revenue from one customer during the year ended December 31, 2014.

JOHNSTON BLAKELY & COMPANY, LLC

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 4

Concentrations (continued)

Cash

The Company maintains its cash at financial institutions in bank deposits, which may exceed federally-insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant risk with respect to cash.

**JOHNSTON BLAKELY & COMPANY, LLC**

**REPORT UNDER THE EXEMPTION CONTAINED IN RULE 15C3-3**

**Period Ended December 31, 2014**

**TABLE OF CONTENTS**

Report of Independent Registered Public Accounting Firm	1
Report Under Exemption Contained in Rule 15c3-3	2



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Member of  
Johnston Blakely & Company, LLC

We have reviewed management's statements, included in the accompanying Report Under the Exemption Contained in Rule 15c3-3, in which (1) Johnston Blakely & Company, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Johnston Blakely & Company, LLC claimed an exemption from 17 C.F.R. §240.15c3-3(k)(2)(i) (the "exemption provisions") and (2) Johnston Blakely & Company, LLC stated that Johnston Blakely & Company, LLC met the identified exemption provisions throughout the period ended December 31, 2014, without exception. Johnston Blakely & Company, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Johnston Blakely & Company, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Chestnut Hill, Massachusetts

February 16, 2015



## Assertions Regarding Exemption Provisions

I, as principal of Johnston Blakely & Company, LLC ("the Company"), am responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

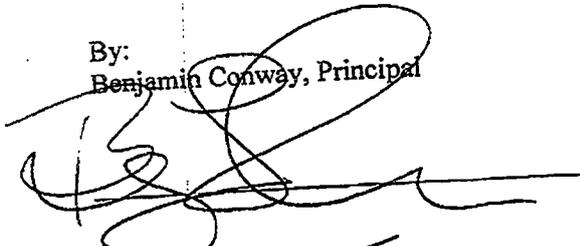
### Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, Paragraph (k)(2)(i).

### Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the period from June 1, 2014 to December 31, 2014.

By:  
Benjamin Conway, Principal



Feb 11, 2015

**SIPC-7**  
(33-REV 7/10)

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

**SIPC-7**  
(33-REV 7/10)

**General Assessment Reconciliation**

For the fiscal year ended 12/31/2014  
(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:

13\*13\*\*\*\*\*1380\*\*\*\*\*MIXED AADC 220  
067294 FINRA DEC  
JOHNSTON BLAKELY & COMPANY LLC  
7 PROCTOR ST  
MANCHESTER MA 01944-1447

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) \$ 1,863
- B. Less payment made with SIPC-6 filed (exclude interest) (219)
- 45PT 3  
Date Paid (\_\_\_\_\_)
- C. Less prior overpayment applied (\_\_\_\_\_)
- D. Assessment balance due or (overpayment) (\_\_\_\_\_)
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum (\_\_\_\_\_)
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 1,644
- G. PAID WITH THIS FORM:  
Check enclosed, payable to SIPC \$ 1,644  
Total (must be same as F above) (\_\_\_\_\_)
- 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.

Johnston Blakely & Co. LLC  
(Name of Corporation, Partnership or other organization)  
[Signature]  
(Authorized Signature)  
Johnston Blakely & Co. LLC  
(Title)

Dated the 16 day of Feb, 2015

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 Documentation Forward Copy

Calculations \_\_\_\_\_

Exceptions: \_\_\_\_\_

Disposition of exceptions: \_\_\_\_\_

# DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period  
beginning 1/1/2014  
and ending 12/31/2014

Eliminate cents

\$ \_\_\_\_\_

Item No.

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

7,47,251

2b. Additions:

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

Total additions

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.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (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.
- (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).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

**REIMBURSED EXPENSES**

(Deductions in excess of \$100,000 require documentation)

2,251

(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.

\$ \_\_\_\_\_

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

\$ \_\_\_\_\_

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

Total deductions

2,251

745,000

1,867

2d. SIPC Net Operating Revenues

2e. General Assessment @ .0025

(to page 1, line 2.A.)

**JOHNSTON BLAKELY & COMPANY, LLC**

**AGREED - UPON PROCEDURES**

**December 31, 2014**

TABLE OF CONTENTS

J

	<u>Page No.</u>
INDEPENDENT ACCOUNTANTS' AGREED - UPON PROCEDURES REPORT ON SCHEDULE OF ASSESSMENT AND PAYMENTS (FORM SIPC-7)	1
GENERAL ASSESSMENT RECONCILIATION	2



Certified Public Accountants

**INDEPENDENT ACCOUNTANTS' AGREED-UPON PROCEDURES REPORT ON**  
**SCHEDULE OF ASSESSMENT AND PAYMENTS (FORM SIPC-7)**

Board of Directors and Member of Johnston Blakely & Company, LLC

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 (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2014, which were agreed to by Johnston Blakely & Company, LLC, and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Johnston Blakely & Company, LLC's compliance with the applicable instructions of Form SIPC-7. Johnston Blakely & Company, LLC's management is responsible for Johnston Blakely & Company, LLC's 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 (canceled checks), noting no differences;
- 2) Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2014, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2014, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences; and
- 4) Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments 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.

A handwritten signature in cursive script that reads "Samet &amp; Company PC".

Chestnut Hill, Massachusetts

February 16, 2015

JOHNSTON BLAKELY & COMPANY, LLC

GENERAL ASSESSMENT RECONCILIATION

Year Ended December 31, 2014

General assessment	\$	1,863
Less payments made with SIPC-6 filed September 3, 2014		<u>219</u>
Total assessment balance		1,644
Payments made with SIPC-7 filed		<u>1,644</u>
Overpayment carried forward	\$	<u><u>-</u></u>

Collection agent:

Securities Investor Protection Corporation  
P.O. Box 92185 Washington, D.C. 20090-2185