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

**SEC**  
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**FEB 25 2016**  
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**404**

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

SEC FILE NUMBER
8-48385

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 1/01/2015 AND ENDING 12/31/2015  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: LEIGH BALDWIN & CO., LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
112 ALBANY STREET  
(No. and Street)

CAZENOVIA NEW YORK 13035  
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
LEIGH BALDWIN (315) 655-2964  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
BONADIO & CO., LLP  
(Name - if individual, state last, first, middle name)

171 SULLY'S TRAIL PITTSFORD NEW YORK 14534  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

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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)

AMB

OATH OR AFFIRMATION

I, LEIGH BALDWIN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of LEIGH BALDWIN & CO., LLC, as of DECEMBER 31, 2015, 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:

HARRY R. TRUDEAU
Notary Public, State of New York
No. 01TR5081391
Qualified in Madison County
Commission Expires 02/20/19

Leigh Baldwin
Signature

PRESIDENT
Title

Harry R. Trudeau
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).

**STATEMENT OF FINANCIAL CONDITION**

**LEIGH BALDWIN & CO., LLC**

**DECEMBER 31, 2015**

# LEIGH BALDWIN & CO., LLC

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

February 22, 2016

To the Members of  
Leigh Baldwin & Co., LLC:

We have audited the accompanying statement of financial condition of Leigh Baldwin & Co., LLC (a Delaware corporation) (the Company) as of December 31, 2015, and the related notes to the financial statements. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of Leigh Baldwin & Co., LLC as of December 31, 2015 in accordance with accounting principles generally accepted in the United States of America.

*Bonadio & Co., LLP*

171 Sully's Trail, Suite 201  
Pittsford, New York 14534  
p (585) 381-1000  
f (585) 381-3131

[www.bonadio.com](http://www.bonadio.com)

**LEIGH BALDWIN CO., LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

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**ASSETS**

Cash and cash equivalents	\$ 54,466
Deposits with clearing organizations	105,000
Receivables from broker-dealers and clearing organizations	376,044
Securities owned:	
Marketable, at market value	274,920
Other current assets	<u>39,913</u>
 TOTAL	 <u>\$ 850,343</u>

**LIABILITIES AND MEMBERS' EQUITY**

<b>LIABILITIES:</b>	
Accounts payable, accrued expenses and other liabilities	\$ 445,701
Securities sold short, not yet purchased	<u>1,350</u>
Total liabilities	447,051
 MEMBERS' EQUITY	 <u>403,292</u>
 TOTAL	 <u>\$ 850,343</u>

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

**LEIGH BALDWIN & CO., LLC**  
**NOTES TO STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Leigh Baldwin & Co., LLC (the "Company") is a fully disclosed introducing broker registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company is a Delaware Limited Liability Company formed on January 30, 1995. The business is located in Cazenovia, New York. The Company is registered with the states of New York, Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, Nevada, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and the District of Columbia.

**Operations**

As an introducing broker-dealer, the Company provides services for the purchase and sales of securities. All Company and customer transactions are cleared on a fully disclosed basis through an independent broker-dealer. The Company pays this broker-dealer various charges and fees for clearing services provided. All customer-related balances are carried on the books of the clearing broker. The Company carries no margin accounts and does not hold funds or securities for, or owe money or securities to, customers. In the event a customer is unable to fulfill its contractual obligations to the clearing broker, the Company may be exposed to off-balance sheet risk.

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities Exchange Act of 1934 and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clear all transactions on behalf of customers on a fully disclosed basis with a clearing broker-dealer and promptly transmit all customer funds and securities to the clearing broker-dealer. The clearing broker-dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker-dealer.

**Basis of Presentation**

Assets, liabilities, revenues and expenses are recognized on the accrual basis of accounting.

**LEIGH BALDWIN & CO., LLC**  
**NOTES TO STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**Use of Estimates**

Management of the Company uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that management uses.

**Income Taxes**

Leigh Baldwin & Co., LLC is a limited liability company that is treated as a partnership for federal and state income tax purposes. Accordingly, all tax effects of the Company's income or loss are passed through to the members individually. Therefore, no provision for federal income tax has been made by the Company. However, the Company does pay various state filing fees.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with original maturities of three months or less to be cash equivalents.

**Securities Transactions**

Securities transactions and related commission revenue and expenses are recorded on a trade date basis.

**Receivables from Broker-Dealers and Clearing Organizations**

The Company considers receivables to be fully collectible. If collection becomes doubtful, an allowance for doubtful accounts will be established, or the accounts will be charged to expense when that determination is made by management. Unpaid balances remaining after the stated payment terms are considered past due. Recoveries of previously charged off accounts are recorded when received.

**Advertising Costs**

Advertising costs are expensed as incurred. Advertising expenses totaled \$7,603 for the year ended December 31, 2015.

(Continued)

**2. CONCENTRATIONS OF CREDIT RISK**

The Company is engaged in various trading and brokerage activities in which counterparties primarily include a broker-dealer and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each of the counterparties.

The Company maintains cash accounts in financial institutions which periodically exceed federally insured limits. At December 31, 2015, balances did not exceed insured limits. The Company has not experienced any losses related to cash accounts and does not believe it is exposed to any significant risk with respect to cash accounts.

**3. DEPOSITS WITH CLEARING ORGANIZATIONS**

The Company clears certain of its proprietary and customer transactions through other broker-dealers on a fully disclosed basis. A deposit is required by the Company's clearing broker to secure amounts receivable from the Company. The account bears interest at current market rates.

**4. ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER LIABILITIES**

The liabilities include the following items: Commissions payable of \$359,824, Cash overdraft of \$25,662, Accounts payable of \$42,917 and Accrued payroll and related taxes of \$9,098 and accrued state taxes or filing fees of \$8,200.

**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 that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn if the resulting net ratio would exceed 10 to 1. At December 31, 2015, the Company had net capital of \$313,013, which was \$213,013 in excess of its required net capital of \$100,000 for 2015. The Company's net capital ratio was 1.42 to 1 at December 31, 2015.

No material difference exists between the Computation of Net Capital under rule 15c3-1 and the Computation for determination of the Reserve Requirement from the audit report with the Company's corresponding computations submitted in its most recent unaudited Part IIA filing.

(Continued)

**6. FAIR VALUE MEASUREMENTS**

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the 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 under FASB ASC 820 are described as follows:

*Level 1:* 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:* 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:* 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.

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis as of December 31, 2015.

- Management considers all investments as trading for reporting purposes.

Fair Value Measurements as of December 31, 2015

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Securities owned - Equities				
Leigh Baldwin Total				
Return Fund	\$ 234,754	\$ -	\$ -	\$ 234,754
Other Equities	<u>40,166</u>	<u>-</u>	<u>-</u>	<u>40,166</u>
Total Assets Measured at Fair Value on a Recurring Basis	<u>\$ 274,920</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 274,920</u>

(Continued)

**LEIGH BALDWIN & CO., LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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**6. FAIR VALUE MEASUREMENTS (CONT'D)**

Fair value for trading securities are based on quoted market prices. Cash and cash equivalents not classified as trading securities are reported at cost, which approximates fair value.

Investments held as of December 31, 2015, consisted of the following:

	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>
Securities owned - Equities	\$ 274,920	\$ 340,761	\$ (65,841)

Leigh Baldwin, owner of Leigh Baldwin & Co., LLC is also the investment manager of the Leigh Baldwin Total Return Fund.

**7. OPERATING LEASES AND OTHER COMMITMENTS**

The Company has three leases for office space with a related party; the leases are verbal agreements on a month-to-month basis. The term of one \$2,000 per month plus 30% of heat and electricity charges; another is for a monthly rent of \$1,800, and the third is monthly rent of \$1,750. Rent expense including utilities paid to a related party was \$67,707 for the year ended December 31, 2015.

Total net rent expense (including payments to a related party) for the year ended December 31, 2015 was \$63,499, which is net of reimbursement of rent expense by independent representatives in the amount of \$4,800.

**8. CONTINGENCY**

The U.S. broker / dealer industry has become the subject of increased scrutiny with respect to compliance with regulatory compliance and operating practices. The Company could be subject to this scrutiny. The Company has one examination in progress at December 31, 2015 that, in the opinion of management, would not be material to its financial position or results of operations. Compliance with these laws and regulations is subject to future interpretation or actions.