



16021504

ION

JG7

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

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

SEC FILE NUMBER
8- 27543

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 1/1/15 AND ENDING 12/31/15
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Trevor, Cole, Reed & Monroe, Inc.

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

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)

(City)

(State)

(Zip Code)

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

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Lehman Newman Flynn Vellaco, PC

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

(Address)

(City)

(State)

(Zip Code)

SECURITIES AND EXCHANGE COMMISSION

CHECK ONE:

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

RECEIVED

MAR -4 2016

DIVISION OF TRADING & MARKETS

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
Mail Processing
Section

MAR 04 2016

Washington DC
404

TREVOR, COLE, REID & MONROE, INC.
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2015

TREVOR, COLE, REID & MONROE, INC.
FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2015

TABLE OF CONTENTS

	<u>Page</u>
Independent registered public accounting firm	1
Statement of financial condition	2
Statement operations	3
Statement of changes in stockholders' equity	4
Statement of cash flows	5
Notes to financial statements	6-8
Net capital requirements and computation	9
Exemption provision under rule 15c3-3	11
Supplemental report of independent auditors on internal control required by Sec Rule 17a-5.....	12-13
Supplemental report of independent auditors on exemption provision under Rule 15c3-3	14

LEHMAN NEWMAN FLYNN VOLLARO P.C.

CERTIFIED PUBLIC ACCOUNTANTS

14 PENN PLAZA

SUITE 2220

NEW YORK, NEW YORK 10122

**MARTIN M. LEHMAN, CPA
SCOTT P. FLYNN, CPA
LAWRENCE A. VOLLARO, CPA**

TEL: (212) 736-2220

FAX: (212) 736-8018

WEB: www.LNFcpa.com

Members:

**American Institute of CPAs
New York State Society of CPAs**

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors of
Trevor, Cole, Reid & Monroe, Inc.

We have audited the accompanying financial statements of Trevor, Cole, Reid & Monroe, Inc. ("the Company"), which comprise the statement of financial condition as of December 31, 2015, and the related statements of operations, stockholders' equity and cash flows for the year then ended that 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 position of the Company as of December 31, 2015, 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 information contained in the supplemental schedules have 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 statement as a whole.

Lehman Newman Flynn Vollaro

February 24, 2016

TREVOR, COLE, REID & MONROE, INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2015

ASSETS

Cash	\$ 13,550
Due from affiliates	<u>1,820</u>
Total assets	\$ <u>15,370</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:	
Accrued expenses	\$ <u>4,974</u>
Commitments and Contingencies	
Stockholder's equity	
Common stock, 200 shares authorized, issued and outstanding, no par value	9,800
Additional paid-in capital	48,245
Accumulated deficit	<u>(47,649)</u>
Total stockholders' equity	<u>10,396</u>
Total liabilities and stockholders' equity	\$ <u>15,370</u>

The accompanying notes are an integral part of this statement.

TREVOR, COLE, REID & MONROE, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2015

Revenues:	
Commission and fees	\$ <u>3,114</u>
Operating Expenses:	
Regulatory fees	880
Professional fees	8,750
Office expenses	<u>2,525</u>
Total expenses	<u>12,155</u>
Income before income taxes	(9,041)
Income taxes	<u>55</u>
Net income	\$ <u>(9,096)</u>

The accompanying notes are an integral part of this statement.

TREVOR, COLE, REID & MONROE, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Common Stock</u>	<u>Paid – In Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance, January 1, 2015	\$ 9,800	\$ 48,245	\$(38,553)	\$ 19,492
Net loss	-	-	(9,096)	(9,096)
Balance, December 31, 2015	<u>\$ 9,800</u>	<u>\$ 48,245</u>	<u>\$(47,649)</u>	<u>\$ 10,396</u>

The accompanying notes are an integral part of this statement.

TREVOR, COLE, REID & MONROE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2015

Cash flows from operating activities:	
Net income	\$ (9,096)
Adjustments to reconcile net loss to net cash used in operating activities	-
Accounts payable	<u>1,874</u>
Net cash used in operating activities	<u>(7,222)</u>
Cash flows used in investing activities	<u>-</u>
Cash flows used in financing activities	<u>-</u>
Net decrease in cash	(7,222)
Cash - beginning of year	<u>20,772</u>
Cash - end of year	<u>\$ 13,550</u>

Supplemental disclosure of cash flow information

Cash paid during year:

Interest	\$ -
Income taxes	\$ -

The accompanying notes are an integral part of this statement.

TREVOR, COLE, REID & MONROE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

NOTE 1 – ORGANIZATION

Trevor, Cole, Reid & Monroe, Inc. (the “Company”) was organized as a New York corporation on January 5, 1982 and is registered as a broker-dealer with the Security and Exchange Commission (SEC) and the State of New York. The Company is a member of the Financial Industry Regulatory Authority (FINRA).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Security transactions and related revenues are recorded in the financial statements on settlement date basis; however, all transactions are reviewed and adjusted on a trade-date basis for significant amounts.

Concentrations of Credit Risk

As a securities broker-dealer, the Company is engaged in various brokerage activities on a principal and agency basis. The Company’s exposure to the credit risk occurs in the event that the customer, clearing agent or counterparts do not fulfill their obligations of transaction. To mitigate the risk of loss, the Company maintains its account with credit worthy customers and counterparties.

Subsequent Events

In accordance with FASB ASC 855 “Subsequent Events”, the Company has evaluated subsequent events through the date of the report (February 27, 2015).

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Company considers all highly liquid cash investments with original maturities of three months or less to be a cash equivalent.

Method of Accounting

The financial statements have been prepared on the accrual basis of accounting.

TREVOR, COLE, REID & MONROE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

NOTE 3 – RECENT ACCOUNTING PRONOUNCEMENTS

Management does not believe there are any issued, but not yet effective, accounting standards if currently adopted which would have a material effect on the accompanying consolidated financial statements.

NOTE 4 – DUE FROM AFFILIATED COMPANIES

As of December 31, 2015, there was \$1,820 due from an affiliated company where the shareholder of the Company has partial ownership.

NOTE 5 – FAIR VALUE MEASUREMENTS

On July 1, 2008, the Company adopted the provisions of Accounting Standard Codification (“ASC”) Topic 820, which defines fair values for accounting purposes, establishes a framework for measuring fair value and expands disclosure requirements regarding fair value measurements. The Company’s adoption of ASC 820 did not have a material impact on its financial statements. Fair value is defined as an exit price, which is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. The degree of judgment utilized in measuring the fair value of assets and liabilities generally correlates to the level of pricing observability. Financial assets and liabilities with readily available actively quoted prices or for which fair value can be measured from actively, quoted prices in active markets generally have more pricing observability and require less judgment in measuring fair value. Conversely, financial assets and liabilities that are rarely traded or not quoted have price observability and generally measured at fair value using valuation methods that require more judgment. These valuation techniques involve some level of management estimation and judgement, the degree of which is dependent on the price transparency of the asset, liability or market and the nature of the asset or liability. The Company categorized its financial assets and liabilities measured at fair value into a three level hierarchy in accordance with ASC 820 and are summarized into three broad categories.

Level 1: quoted prices in active markets for identical securities

Level 2: other significant observable inputs, including quoted prices for similar securities, interest rates, prepayment speeds credit risk, etc; and

Level 3: significant observable inputs, including our own assumptions in determining fair value

The Company does not own any investments where fair value reporting is required.

NOTE 6 – INCOME TAXES

The Company utilizes ASC 740 “Income Taxes” which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each year-end based on enacted tax laws and statutory tax rates applicable to the period in which the differences are expected to affect taxable income. As of December 31, 2015, there are no deferred income taxes.

TREVOR, COLE, REID & MONROE, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2015

NOTE 6 – INCOME TAXES - continued

At December 31, 2015, the provision for income taxes was as follows:

New York State Franchise Tax	\$30
New York City Corporate Tax	<u>25</u>
	<u>\$55</u>

At December 31, 2015, net operating losses for tax purposes of approximately \$11,000 are available for carryover. These losses are carried forward for twenty years and will begin to expire in 2023. The statute of limitations for examination by the Internal Revenue Service, New York State and New York City has expired for years before 2012.

NOTE 7 – NET CAPITAL REQUIREMENTS

The Company is a registered broker-dealer and is subject to the SEC's Uniform Net Capital Rule 15c3-1. This requires that the Company maintain minimum net capital of \$5,000 and also requires that the ratio of aggregate indebtedness, as defined, to net capital, shall not exceed 15 to 1.

As of December 31, 2015, the Company's net capital exceeded the requirement by approximately \$3,576.

Advances, dividends payments and other equity withdrawals are restricted by the regulations of the SEC, and other regulatory agencies are subject to certain notification and other provisions of the net capital rules of the SEC. The Company qualifies under the exemptive provisions of Rule 15c3-3 as the Company does not carry security accounts for customers or perform custodial functions related to customer securities.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

The Company is committed to a lease agreement to share space with another company, which is owned by the Company's shareholders. The annual rent expense is \$1,200.

SCHEDULE I

TREVOR, COLE, REID & MONROE, INC.
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE
SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2015

Total stockholders' equity from Statement of Financial Condition	\$ 10,396
Total non-allowable assets from Statement of Financial Condition	1,820
Haircuts on firm investments including undue concentrations	_____ -
Net capital	\$ <u>8,576</u>
Minimum net capital required on aggregate indebtedness (6 2/3% of aggregate indebtedness)	\$ <u>331</u>
Minimum net capital required	\$ <u>5,000</u>
Net capital requirement (greater of the above)	\$ <u>5,000</u>
Excess net capital	\$ <u>3,576</u>
Total A.I. liabilities from Statement of Financial Condition	\$ <u>4,974</u>
Ratio: Aggregate indebtedness to net capital	.5800 to 1

SCHEDULE 1 (CONTINUED)

TREVOR, COLE, REID & MONROE, INC.
 RECONCILIATION OF NET CAPITAL PURSUANT TO RULE 15c3-1
 OF THE SECURITIES AND EXCHANGE COMMISSION
 AT DECEMBER 31, 2015

	Focus Report- Part IIA Period ended <u>December 31, 2015</u>	<u>Adjustments</u>	Annual Financial Statements at <u>December 31, 2015</u>
Computation of net capital:			
Total stockholders' equity from Statement of Financial Condition	\$ 10,270	\$ 126	\$ 10,396
Total non-allowable assets from Statement of Financial Condition	1,820	-	1,820
Haircuts on firm investments including undue concentrations	<u>-</u>	<u>-</u>	<u>-</u>
Net capital	<u>\$ 8,450</u>	<u>\$ 126</u>	<u>\$ 8,576</u>

SCHEDULE II

TREVOR, COLE, REID & MONROE, INC.
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2015

The Company is exempt from compliance with Rule 15c3-3 under Section k(1) of the Rule. The Company meets the definition of a limited purpose broker-dealer. The Company was in compliance with the conditions of the exemption as of December 31, 2015.

SCHEDULE III

TREVOR, COLE, REID & MONROE, INC.
INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2015

The Company is exempt from compliance with Rule 15c3-3 under Section k(1) of the Rule. The Company meets the definition of a limited purpose broker-dealer. The Company was in compliance with the conditions of the exemption as of December 31, 2015.

LEHMAN NEWMAN FLYNN VOLLARO P.C.

CERTIFIED PUBLIC ACCOUNTANTS

14 PENN PLAZA

SUITE 2220

NEW YORK, NEW YORK 10122

**MARTIN M. LEHMAN, CPA
SCOTT P. FLYNN, CPA
LAWRENCE A. VOLLARO, CPA**

TEL: (212) 736-2220

FAX: (212) 736-8018

WEB: www.LNFcpa.com

Members:

**American Institute of CPAs
New York State Society of CPAs**

Supplemental Report of Independent Auditors
On Internal Control Required by Sec Rule 17a-5

To the Board of Directors of
Trevor, Cole, Reid & Monroe, Inc.

In planning and performing our audit of the financial statement of Trevor, Cole, Reid & Monroe, Inc. (the Company), as of and for the year ended December 31, 2015, in accordance with auditing standards generally accepted in the United State 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 statement, 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 test of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13.
2. 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.

The management of the Company is responsible for establishing and maintaining internal control 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 procedure can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedure 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 of 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.

Because of inherent limitations in internal control and 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.

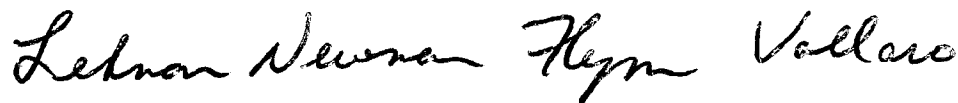
A control deficiency exists when the design or operation of control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

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.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify any deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

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, 2015, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Industry Regulatory Authority, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulations of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



February 24, 2016

LEHMAN NEWMAN FLYNN VOLLARO P.C.

CERTIFIED PUBLIC ACCOUNTANTS

14 PENN PLAZA

SUITE 2220

NEW YORK, NEW YORK 10122

**MARTIN M. LEHMAN, CPA
SCOTT P. FLYNN, CPA
LAWRENCE A. VOLLARO, CPA**

**TEL: (212) 736-2220
FAX: (212) 736-8018
WEB: www.LNFcpa.com**

**Members:
American Institute of CPAs
New York State Society of CPAs**

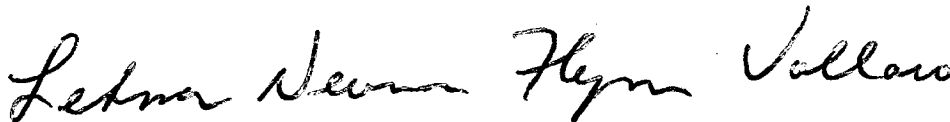
Supplemental Report Of Independent Auditors
On Exemption Provision Under Rule 15c3-3

To the Shareholders' of
Trevor, Cole, Reid & Monroe, Inc.

We have reviewed Management's statement included in the accompanying Exemption Report under Rule 15c3-3, in which Trevor, Cole, Reid & Monroe, Inc. ("the Company") identified the following provisions of 17 C.F.R §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R.§240.15c3-3 under exemption provision (k)(1) limited business (investment banking). Trevor, Cole, Reid & Monroe, Inc. stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company'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 the Company'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)(1) of Rule 15c3-3 under the Securities Exchange Act of 1934.



February 24, 2016