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PART III

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

REPORT FOR THE PERIOD BEGINNING 06/01/2015 AND ENDING 05/31/2016
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Bodington & Company

OFFICIAL USE ONLY
<u>31353</u>
FIRM I.D. NO.

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

50 California Street Suite 630

(No. and Street)

San Francisco
(City)

California
(State)

94111
(Zip Code)

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

Jeffrey C. Bodington

(415) 391-3280

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Wilson Markle Stuckey Hardesty & Bott, LLP

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

101 Larkspur Landing Circle, Suite 200

Larkspur, CA

94939

(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)

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.

OATH OR AFFIRMATION

I, Jeffrey C. Bodington, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Bodington & Company, as of May 31, 2016, 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:

Jeffrey C. Bodington

Signature

President

Please see attached

Notary Public

This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholder's Equity.
- (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) Assertions of Exemption of a Non-Carrying Broker or Dealer required by Rule 17a-5(d)(4) of the Securities and Exchange Commission
- (o) Report on Assertions of Exemption of a Non-Carrying Broker or Dealer required By Rule 17a-5(d)(4) of the Securities and Exchange Commission

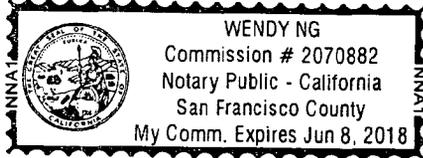
**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Francisco

Subscribed and sworn to (or affirmed) before me on this 12th
day of July, 2016, by Jeffrey C. Bodington

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



(Seal)

Signature

A handwritten signature in black ink, appearing to read 'Jeffrey C. Bodington', written over a horizontal line.

Bodington & Company

Financial Statements

and

Supplemental Information Required by Rule 17a-5 under the
Securities Exchange Act of 1934

For the year ended May 31, 2016

with

Reports of Independent Registered Public Accounting Firm

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**WILSON
MARKLE
STUCKEY
HARDESTY
& BOTT LLP**

Report of Independent Registered Public Accounting Firm

To the shareholder of Bodington & Company

CERTIFIED PUBLIC
ACCOUNTANTS

DONALD WILSON

ALAN MARKLE

CHARLES STUCKEY

DAVID HARDESTY

DAVID BOTT

DAVID BAILEY

MICHAEL SMITH

SHIRLEY CHEN-BLUM

We have audited the accompanying statement of financial condition of Bodington & Company (the Company) as of May 31, 2016, and the related statements of operations, changes in stockholder's equity and cash flows for the year then ended. The financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on the 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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 financial statements referred to above present fairly, in all material respects, the financial position of the Company as of May 31, 2016, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

The Supplemental Information Required by Rule 17a-5 under the Securities Exchange Act of 1934, as listed in the table of contents (supplemental information) 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 management of the Company. 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 17 CFR §240.17a-5. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Wilson Markle Stuckey Hardesty & Bott
Wilson Markle Stuckey Hardesty & Bott, LLP
Larkspur, CA
July 5, 2016

Bodington & Company
Statement of Financial Condition
As of May 31, 2016

Assets

Current assets

Cash	\$ 15,725
Accounts receivable	74,546
Prepaid expenses and other current assets	<u>-</u>
Total current assets	90,271
Furniture and equipment, at cost	39,006
Less accumulated depreciation	<u>(39,006)</u>
	<u>-</u>
Total assets	<u><u>\$ 90,271</u></u>

Liabilities and Stockholder's Equity

Current liabilities

Accounts payable	\$ 8,000
Income taxes payable, deferred	<u>9,700</u>
Total current liabilities	17,700

Stockholder's equity

Common stock, no par value, 100 shares authorized, 15 shares issued and outstanding	45,000
Paid in capital	10,000
Retained earnings	<u>17,571</u>
Total stockholder's equity	<u>72,571</u>
Total liabilities and stockholder's equity	<u><u>\$ 90,271</u></u>

See accompanying notes.

Bodington & Company
Statement of Operations
For the year ended May 31, 2016

Revenues		
Commissions, fees and expense reimbursements	\$	453,704
Expenses		
Salaries		280,938
Employee benefits		28,636
Payroll taxes		11,609
Consultants and outside services		34,857
Rent		24,490
Office supplies and expenses		23,477
Telephone		5,810
Regulatory compliance		1,665
Insurance		500
Travel and other		<u>18,522</u>
Total expenses		<u>430,504</u>
Income before taxes		23,200
Taxes on income		<u>6,600</u>
Net income	\$	<u><u>16,600</u></u>

See accompanying notes.

Bodington & Company
Statement of Changes in Stockholder's Equity
For the year ended May 31, 2016

	Common stock		Paid in	Retained	Total
	Shares	Amount	capital	earnings	stockholder's equity
Balances, May 31, 2015	15	\$ 45,000	\$ 10,000	\$ 971	\$ 55,971
Net income	-	-	-	16,600	16,600
Balances, May 31, 2016	15	\$ 45,000	\$ 10,000	\$ 17,571	\$ 72,571

See accompanying notes.

Bodington & Company
Statement of Cash Flows
For the year ended May 31, 2016

Cash flows from operating activities	
Net income	\$ 16,600
Adjustments to reconcile net income to net cash used by operating activities	
Deferred income taxes	5,800
Increase in accounts receivable	(32,626)
Decrease in prepaid expenses	2,590
Increase in accounts payable	<u>4,000</u>
Net cash used by operating activities	<u>(3,636)</u>
Net decrease in cash	(3,636)
Cash, beginning of year	<u>19,361</u>
Cash, end of year	<u>\$ 15,725</u>
Supplemental disclosure	
Cash paid during the year for income taxes	<u>\$ 800</u>

See accompanying notes.

Bodington & Company
Notes to Financial Statements
May 31, 2016

Note 1 - Summary of significant accounting policies

Basis of presentation

Bodington & Company (the Company) is a California corporation formed in July 1996. The Company provides management consulting and investment advisory services to small and middle market power projects and power generation facilities located primarily in the United States.

The Company is registered as a broker-dealer with the Securities Exchange Commission and member of the Financial Industry Regulatory Authority.

The Company's activities consist principally of its role as an intermediary and advisor in merger and acquisition transactions. Accordingly, the Company claims exemption from Securities Exchange Commission Rule 15c3-3 because it does not carry customer funds or handle customer securities.

Basis of accounting

The Company maintains its books on the accrual basis of accounting.

Cash

For purposes of the statement of cash flows, cash consists of amounts on deposit with a commercial bank in a non-interest bearing account, available on demand.

Allowance for uncollectible accounts receivable

The Company uses the allowance method to account for uncollectible accounts receivable. Under this method, the Company reviews all receivables for any problems with collection. If the Company feels that there may be a problem with collections, an allowance is provided for the receivable. When attempts to collect a specific receivable are unsuccessful, the account is considered uncollectible and is written off against the allowance. At May 31, 2016, the Company determined that an allowance for doubtful accounts was not necessary.

Income taxes

The Company files its income tax returns using the cash method of accounting. Deferred income taxes are provided on the temporary differences between accrual and cash basis income.

Bodington & Company
Notes to Financial Statements
(continued)
May 31, 2016

Note 1 - Summary of significant accounting policies (continued)

Income taxes (continued)

The Company follows accounting principles generally accepted in the United States relating to the accounting for uncertainty in income taxes. Adoption of the provisions did not have any impact on the Company's accounting for unrecognized tax liabilities. Management believes that the Company has adequately addressed all tax positions and that there are no unrecorded tax liabilities. Tax years ended May 2013 to 2016 are open for examination by the Internal Revenue Service and years May 2012 to 2016 by the California Franchise Tax Board.

Furniture and equipment

Furniture and equipment are recorded at cost. Depreciation was computed using the declining balance method over estimated useful lives of from five to seven years. The Company generally capitalized individual purchases of \$2,500 or more.

Revenues

Revenues are recognized when invoiced, generally under the terms of time and materials contracts.

Advertising costs

Costs incurred for producing and communicating advertising are expensed when incurred. Advertising expenses were insignificant for the year ended May 31, 2016.

Use of estimates

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect amounts and disclosures reported in these financial statements. Actual results could differ from those estimated.

Bodington & Company
Notes to Financial Statements
(continued)
May 31, 2016

Note 2 - Income taxes

The provision for income taxes is as follows for the year ended May 31, 2016:

Current	
State	\$ 800
Federal	<u>-</u>
	800
Deferred	
State	2,000
Federal	<u>3,800</u>
	<u>5,800</u>
Total	<u>\$ 6,600</u>

The Company files its income tax returns using the cash method of accounting. The Company's deferred tax liability results principally from its accrual to cash temporary differences that total \$66,546 at May 31, 2016.

At May 31, 2016 the Company had federal and California net operating loss carryforwards of approximately \$33,000 that were used to reduce its deferred tax liability. The loss carryforwards expire in various years from 2026 to 2036.

Note 3 - Lease obligation

The Company occupies its office facility under an operating lease that provides for monthly rental payments through June 2016. The future minimum payment for the year ending May 31, 2017 is \$1,998.

Rent expense for the year ended May 31, 2016 was \$24,490, and included certain operating charges passed through to the Company by the lessor.

Bodington & Company
Notes to Financial Statements
(continued)
May 31, 2016

Note 4 - Profit-sharing plan

The Company has a profit-sharing plan for the benefit of its employee. Contributions to the plan are determined annually subject to certain maximum amounts allowable under the Internal Revenue Code. No contributions were paid or accrued to the plan for the year ended May 31, 2016. Contributions of \$52,000 were made to the plan for the year ended May 31, 2015. Annual contributions are at the discretion of the Company Board of Directors.

Note 5 - Net capital requirement

As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule 15c3-1 of the SEC (the "Rule"). The Rule requires the maintenance of minimum net capital, as defined under the Rule, equivalent to the greater of \$5,000 or 6.67% of aggregate indebtedness, as defined under the Rule.

As of May 31, 2016, the Company had net capital, as defined under the Rule, of \$7,725, which exceeded the minimum requirement of \$5,000 by \$1,725. The Company's aggregate indebtedness, as defined under the Rule, was 104% of its net capital.

Note 6 - Concentrations

Revenue from contracts with two entities comprised 75% of total revenues for the year ended May 31, 2016. At May 31, 2016, substantially all accounts receivable were due from three entities.

Note 7 - Subsequent events

The Company evaluated subsequent events for recognition and disclosure through the date of this filing. Management concluded that no material subsequent events have occurred since May 31, 2016 that required recognition or disclosure in these financial statements.

Supplemental Information required by
Rule 17a-5 under the
Securities Exchange Act of 1934

Supplemental Information Required by Rule 17a-5 under the
Securities Exchange Act of 1934

Bodington & Company
Computation of Net Capital under Rule 15c3-1 of the
Securities and Exchange Commission
May 31, 2016

Net capital	
Total stockholder's equity	\$ 72,571
Non allowable asset -	
Accounts receivable	(74,546)
Other credits – deferred taxes	<u>9,700</u>
Net capital	<u>\$ 7,725</u>
Total aggregate indebtedness	<u>\$ 8,000</u>
Computation of basic net capital requirement	
Minimum net capital required	
(6-2/3% of total aggregate indebtedness)	<u>\$ 534</u>
Minimum dollar net capital requirement of reporting broker	<u>\$ 5,000</u>
Net capital requirement	<u>\$ 5,000</u>
Excess net capital	<u>\$ 1,725</u>
Net capital less the greater of 10% of aggregate indebtedness or 120% of the minimum dollar net capital requirement of reporting broker	<u>\$ 725</u>
Percentage of aggregate indebtedness to net capital	104%

Bodington & Company
Reconciliation Pursuant to Rule 17a-5(d)(4)
May 31, 2016

Reconciliation with Company's Computation
(Included in Part IIA of Form X-17A-5 as of May 31, 2016)

There is no material difference between this net capital computation and the corresponding computation included in the Company's unaudited Part IIA FOCUS Report filing.

Bodington & Company
Computation for Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
May 31, 2016

The Company is exempt from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(i) of Rule 15c3-3.

Bodington & Company
Information Relating to Possession or Control Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
May 31, 2016

A supplementary report pursuant to Rule 17a-5(d)(2)(ii) and the information relating to possession or control requirement under Rule 15c3-3 are not required under Rule 17a-5(e)(1)(i)(A) and Rule 15c3-3(k), respectively.

BODINGTON & COMPANY

50 California Street, Suite 630
San Francisco, CA 94111
Telephone (415) 391-3280
Facsimile (415) 391-7220

Assertions of Exemption of a Non-Carrying Broker or Dealer
required by
Rule 17a-5(d)(4) of the Securities and Exchange Commission

June 30, 2016

Wilson Markle Stuckey Hardesty & Bott, LLP
101 Larkspur Landing Circle
Suite 200
Larkspur, CA 94939

Bodington & Company (the Company) is a limited broker-dealer, offering investment banking services. The Company does not directly handle customer funds or securities or any other duties associated with a clearing broker or dealer. The Company is registered with the U.S. Securities and Exchange Commission (SEC) in the event a transaction with a public entity requires a broker-dealer to hold credentials with the SEC.

In accordance with Rule 17a-5 of §240 of the Securities and Exchange Act of 1934, the Company performs an annual audit and files "Report pursuant to rule 17a-5 under the securities exchange act of 1934" with the SEC. On that report the Company claims exemption to Rule 15c3-3 based on exemption k (2) (i), which is noted below.

(k) *Exemptions.*

(2) The provisions of this section shall not be applicable to a broker or dealer:

(i) Who, carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with his activities as a broker or dealer, does not otherwise hold funds or securities *for*, or owe money or securities *to*, customers and effectuates all financial transactions between the broker or dealer and his customers through one or more bank accounts each to be designated as "Special Account for the Exclusive Benefit of Customers of Bodington & Company".

The nature of the business of the Company qualifies the firm for this exemption. Further, management has evaluated transactions executed for the year and has verified that no customer funds have been received or distributed for securities transactions or for customer accounts and the Company does not maintain customer accounts. Therefore, the Company has met the identified exemption provisions throughout the recent fiscal year end without exception.

Sincerely,



Jeffrey C. Bodington
President

**WILSON
MARKLE
STUCKEY
HARDESTY
& BOTT LLP**

CERTIFIED PUBLIC
ACCOUNTANTS

DONALD WILSON
ALAN MARKLE
CHARLES STUCKEY
DAVID HARDESTY
DAVID BOTT
DAVID BAILEY
MICHAEL SMITH
SHIRLEY CHEN-BLUM

**Report on Assertions of Exemption of a Non-Carrying Broker or Dealer
Required by Rule 17a-5(d)(4) of the Securities and Exchange
Commission**

Report of Independent Registered Public Accounting Firm

We have reviewed management's statements, included in the accompanying Assertions of Exemption of a Non-Carrying Broker or Dealer Required by Rule 17a-5(d)(4) of the Securities and Exchange Commission (Report), in which Bodington & Company (the Company) identified the following provisions of 17 CFR §15c3-3(k) under which it claimed an exemption from 17 CFR §240.15c3-3: (2)(i) (exemption provisions) and the Company stated that it met the identified exemption provisions throughout the most recent fiscal year without exception. The management of the Company 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 compliance by the Company 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 the statements of management. 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.

Wilson Markle Stuckey Hardesty & Bott
Wilson Markle Stuckey Hardesty & Bott, LLP
Larkspur, CA
July 5, 2016