

OATH OR AFFIRMATION

I, Marshall Sonenshine, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Sonenshine and Company LLC as of December 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:

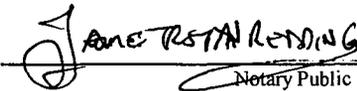
JAMES TRISTAN REDDING
Notary Public, State of New York
No. 01RE6321865
Qualified in New York County
Commission Expires March 30, 2019



Signature

CEO

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).

SEC
Mail Processing
Section

FEB 27 2017

Washington DC
416

SONENSHINE & COMPANY LLC

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

SEC FILE NO. 8-52819

YEAR ENDED DECEMBER 31, 2016

AND

**REPORT OF INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM**

SONENSHINE & COMPANY LLC

TABLE OF CONTENTS

	<u>Page</u>
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
Supplemental Information	
Schedule I - Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission	8
Information regarding compliance with Rule 15c3-3	
Report of Independent Registered Public Accounting Firm	9
Statement of Exemption from SEC Rule 15c3-3	10

FRIEDMAN LLP[®]

ACCOUNTANTS AND ADVISORS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member
of Sonenshine & Company LLC

We have audited the accompanying statement of financial condition of Sonenshine & Company LLC as of December 31, 2016, and the related statements of income, changes in member's equity and cash flows for the year then ended. These financial statements are the responsibility of Sonenshine & Company LLC's management. 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. 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 Sonenshine & Company LLC as of December 31, 2016, 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 supplemental information contained in Schedule I has been subjected to audit procedures performed in conjunction with the audit of Sonenshine & Company LLC's financial statements. The supplemental information is the responsibility of Sonenshine & Company LLC'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 17 C.F.R. §240.17a-5. In our opinion, the information in Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.



FRIEDMAN LLP
East Hanover, New Jersey
February 16, 2017

SONENSHINE & COMPANY LLC
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2016

ASSETS

Cash and cash equivalents	\$ 365,083
Accounts receivable	52,500
Other assets	4,850
	<hr/> \$ 422,433

LIABILITIES AND MEMBER'S EQUITY

Liabilities

Accounts payable and accrued expenses	\$ 16,930
Other liabilities	1,653
Member's equity	403,850
	<hr/> \$ 422,433

See notes to financial statements.

SONENSHINE & COMPANY LLC
STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2016

Revenues	
Fees	\$ 357,619
Interest income	9
	<hr/> 357,628 <hr/>
Expenses	
Management fees	67,000
Professional fees	55,463
Regulatory fees and expenses	8,363
Insurance	2,794
Other expenses	573
	<hr/> 134,193 <hr/>
Net income	<hr/> \$ 223,435 <hr/>

See notes to financial statements.

SONENSHINE & COMPANY LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
YEAR ENDED DECEMBER 31, 2016

Balance, January 1, 2016	\$ 77,805
Contributions by member	105,035
Distributions to member	(2,425)
Net income	223,435
Balance, December 31, 2016	\$ 403,850

See notes to financial statements.

SONENSHINE & COMPANY LLC
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2016

Cash flows from operating activities	
Net income	\$ 223,435
Adjustments to reconcile net income to net cash provided by operating activities	
Changes in assets and liabilities	
Accounts receivable	(52,500)
Other assets	(197)
Accounts payable and accrued expenses	652
Other liabilities	1,653
Net cash provided by operating activities	173,043
Cash flows from financing activities	
Contributions by member	105,035
Distributions to member	(2,425)
Net cash provided by financing activities	102,610
Net increase in cash and cash equivalents	275,653
Cash and cash equivalents, beginning of year	89,430
Cash and cash equivalents, end of year	\$ 365,083

See notes to financial statements.

SONENSHINE & COMPANY

NOTES TO FINANCIAL STATEMENTS

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business

Sonenshine & Company LLC (the "Company") was organized as a limited liability company under the laws of the State of Delaware and is a wholly owned subsidiary of Sonenshine Partners LLC (the "Parent").

The principal business activity of the Company is to provide corporate finance services to clients of the Company and its Parent, which is in turn principally engaged in providing a range of corporate advisory services to companies, including advice with respect to corporate strategy, mergers, acquisitions, divestitures, restructurings and other investment banking matters. The Company does not have any trading accounts, nor does it hold cash or securities for or on behalf of any customers or clients.

The Company is a securities broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA").

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 those estimates.

Concentrations of Credit Risk for Cash

The Company maintains its cash balances at one financial institution. Cash balances are insured by the Federal Deposit Insurance Corporation subject to certain limitations.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less when purchased.

Revenue Recognition

Revenue includes fees earned for providing advisory services in connection with mergers and acquisitions, restructuring, and financing. Revenues are recognized when contractual milestones are achieved. Fees received in advance of services rendered are deferred until earned.

Income Taxes

The Company is not a taxpaying entity for federal and state income tax purposes and, accordingly, no provision has been made for these income taxes. The Company files a consolidated New York City unincorporated business tax return with its Parent, and a portion of this tax is allocated to the Company based on pro-rata earnings, as applicable.

SONENSHINE & COMPANY

NOTES TO FINANCIAL STATEMENTS

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (continued)

As a single member LLC whose Parent is also a single member LLC, the Company's taxable income or loss is reported on the tax returns of its ultimate owner.

Accounts Receivable

Accounts Receivable are stated in the amounts management expects to collect. An allowance for doubtful accounts is recorded based on a combination of historical experience, aging analysis and information on specific accounts. Account balances are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. Management has determined that no allowance is required at December 31, 2016.

2- RELATED PARTY TRANSACTIONS

In accordance with an expense sharing agreement, the Parent charged the Company for its allocated share of certain overhead expenses, totaling approximately \$67,000 for the year ended December 31, 2016. Substantially all of the Company's expenses, including management fees, professional fees and regulatory fees paid by the Parent on behalf of the Company, were reimbursed by the Company.

The Company maintains an intercompany account with the Parent, which had a balance of \$1,653, included in other liabilities as of December 31, 2016.

3 – CONCENTRATIONS

Major customer advisory fees consist of fees received from two customers that represent 85% and 15% of revenues, respectively.

Accounts receivable consists of one customer that represents 100% of the balance.

4 – REGULATORY REQUIREMENTS

As a register broker-dealer, the Company is subject to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital shall not exceed fifteen times net capital, as defined. At December 31, 2016, the Company had net capital of \$346,500, which exceeded requirements by \$341,500. The ratio of aggregate indebtedness to net capital was .054 to 1.

The Company is exempt from Rule 15c3-3 of the Securities and Exchange Commission under paragraph (k)(2)(i).

SUPPLEMENTAL INFORMATION
PURSUANT TO RULE 17A-5 OF THE SECURITIES EXCHANGE ACT OF 1934
AS OF DECEMBER 31, 2016

SONENSHINE & COMPANY LLC

**SCHEDULE I – COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1
OF THE SECURITIES AND EXCHANGE COMMISSION**

AS OF DECEMBER 31, 2016

Computation of net capital	
Total member's equity	\$ 403,850
Deductions and/or charges	
Non-allowed assets	(57,350)
Net capital	\$ 346,500
Computation of aggregate indebtedness	
Accounts Payable & Accrued Expenses	\$ 16,930
Other Liabilities	1,653
Aggregate indebtedness	\$ 18,583
Computation of basic net capital requirement	
Minimum net capital required (6 2/3% of aggregate indebtedness)	\$ 1,239
Minimum dollar requirement	5,000
Net capital requirement (greater of minimum net capital or dollar requirement)	\$ 5,000
Excess net capital	\$ 341,500
Excess net capital at 1000 percent	\$ 344,642
Ratio: aggregate indebtedness to net capital	.054 to 1
Reconciliation with Company's computation (included in Part II of Form X-17A-5 as of December 31, 2016)	
Net capital, as reported in Company's Part II (unaudited) FOCUS report	\$ 341,500
Increases resulting from December 31, 2016 audit adjustments, net	5,000
Net capital, as included in this report	\$ 346,500

See report of independent registered public accounting firm.

FRIEDMAN LLP®

ACCOUNTANTS AND ADVISORS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member
of Sonenshine & Company LLC

We have reviewed management's statements, included in the accompanying Statement of Exemption Report from SEC Rule 15c3-3, in which (1) Sonenshine & Company LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Sonenshine & Company LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) Sonenshine & Company LLC stated that Sonenshine & Company LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Sonenshine & 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 Sonenshine & 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.

Friedman LLP

FRIEDMAN LLP
East Hanover, New Jersey
February 16, 2017

SONENSHINE & COMPANY LLC

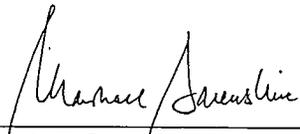
STATEMENT OF EXEMPTION FROM SEC RULE 15c3-3

Sonenshine & Company LLC (the Company), to the best of my knowledge and belief, hereby certifies as follows:

1. The Company does not carry securities accounts for customers or perform custodial functions relating to customer securities.
2. The Company carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its 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 its customers through one or more bank accounts, each to be designated as "Special Account for the Exclusive Benefit of Customers of Sonenshine & Company LLC".
3. As a consequence, the Company is exempt from Rule 15c3-3 pursuant to Rule 15c3-3(k)(2)(i).
4. The Company met this exemption during the entire calendar year ending December 31, 2016, without exception.

Sonenshine & Company LLC

Dated: 2/17/17

By: 
Marshall Sonenshine, CEO