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**ANNUAL AUDITED Mail Processing**  
**FORM X-17A-5 Section**  
**PART III FEB 28 2017**

SEC FILE NUMBER
8-50648

**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 01/01/2016 AND ENDING 12/31/2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Hudson Heritage Capital Management, Inc.**

OFFICIAL USE ONLY
FIRM I.D. NO.

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

20 Baltic Place Suite 2

(No. and Street)

Croton-on-Hudson

New York

10520

(City)

(State)

(Zip Code)

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

Dominick Scianandre 914-271-8102

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Becher, Della Torre, Gitto and Company

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

76 North Walnut Street

Ridgewood

New Jersey

07450

(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)

SEC 1410 (06-02)

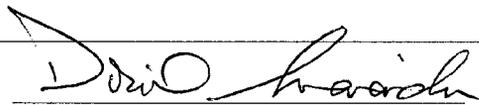
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

*JCA*

OATH OR AFFIRMATION

I, Dominick Scianandre, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Hudson Heritage Capital Management, Inc., as of December 31,, 20 16, 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:

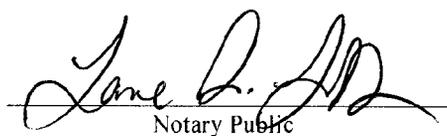
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature

President CEO/CCO

Title



Notary Public

LANE R. SCHORSCH  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01SC6241903

This report \*\* contains (check all applicable boxes): **Qualified in Putnam County**  
**My Commission Expires May 31, 2019**

- (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).

**Hudson Heritage Capital Management, Inc.**

**Financial Statements**

**December 31, 2016**

Hudson Heritage Capital Management, Inc.  
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For the year ended December 31, 2016

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76 North Walnut Street  
Ridgewood, New Jersey 07450  
201-652-4040  
fax: 201-652-0401  
www.bdgcpa.com

### **Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders of  
Hudson Heritage Capital Management, Inc.:

We have audited the accompanying statement of financial condition of Hudson Heritage Capital Management, Inc. (the "Company") as of December 31, 2016, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company'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 the Company 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 Schedules I, II, III, and IV 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 17 C.F.R. §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.

*Becher, Della Torre, Gitto & Company*

Becher, Della Torre, Gitto & Company  
Ridgewood, New Jersey  
February 16, 2017



Hudson Heritage Capital Management, Inc.  
Statement of Financial Condition  
As of December 31, 2016

Assets

Current assets	
Cash	\$ 269,458
Accrued fees receivable, no allowance	19,352
Prepaid expenses and other current assets	9,804
Total current assets	<u>298,614</u>
 Total assets	 <u><u>\$ 298,614</u></u>

Liabilities and Stockholders' Equity

Liabilities	
Accrued broker commissions	\$ 57,536
Other current liabilities	<u>57,491</u>
 Total liabilities	 <u>115,027</u>
Stockholders' equity	
Common stock, no par value, 200 shares authorized, issued and outstanding	2,000
Additional paid in capital	20,000
Retained earnings	<u>161,587</u>
 Total stockholders' equity	 <u>183,587</u>
 Total liabilities and stockholders' equity	 <u><u>\$ 298,614</u></u>

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

Hudson Heritage Capital Management, Inc.  
Statement of Income  
For the year ended December 31, 2016

Revenues	
Fees	\$ 688,127
Commissions revenue	100,783
Interest income	<u>9</u>
Total revenues	<u>788,919</u>
Expenses	
Commissions expense	237,202
Compensation and benefits	200,952
Occupancy	62,330
Insurance	25,821
Professional fees	51,070
Auto expenses	28,246
Computer expenses	18,404
Licenses and registration fees	11,251
Other operating expenses	<u>72,510</u>
Total expenses	<u>707,786</u>
Net income before income taxes	<u>81,133</u>
Income taxes	<u>3,050</u>
Net income	<u>\$ 78,083</u>
Basic earnings per share	<u>\$ 390.42</u>

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

Hudson Heritage Capital Management, Inc.  
Statement of Changes in Stockholders' Equity  
For the year ended December 31, 2016

	Common Stock		Additional Paid-In Capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount			
Balance, January 1, 2016	200	\$ 2,000	\$ 20,000	\$ 203,504	\$ 225,504
Net income	-	-	-	78,083	78,083
Distributions	-	-	-	(120,000)	(120,000)
Balance, December 31, 2016	<u>200</u>	<u>\$ 2,000</u>	<u>\$ 20,000</u>	<u>\$ 161,587</u>	<u>\$ 183,587</u>

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

Hudson Heritage Capital Management, Inc  
Statement of Cash Flows  
For the year ended December 31, 2016

Cash flows from operating activities	
Net income	<u>\$ 78,083</u>
Adjustments to reconcile net income to net cash provided by operating activities	
Accrued fees receivable	4,148
Prepaid expenses and other current assets	1,097
Accrued broker commissions and other current liabilities	<u>34,260</u>
Total adjustments	<u>39,505</u>
Net cash provided by operating activities	<u>117,588</u>
Cash flows from investing activities	<u>-</u>
Cash flows from financing activities	
Distributions paid	<u>(120,000)</u>
Net cash used by financing activities	<u>(120,000)</u>
Net decrease in cash	(2,412)
Cash - beginning of period	<u>271,870</u>
Cash - end of period	<u><u>\$ 269,458</u></u>
 <b>Supplemental disclosures of cash flow information</b>	
Cash paid during the period for	
Interest	\$ -
Income taxes	4,385

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

**Hudson Heritage Capital Management, Inc.**  
**Notes to the Financial Statements**  
**December 31, 2016**

**Note 1 – Organization and Nature of Business**

Hudson Heritage Capital Management, Inc. (the “Company”) is a broker-dealer incorporated October 1, 1997 in New York. The Company’s primary source of revenue is derived from commissions earned from the sale of mutual funds, municipal securities for Section 529 plans, variable life insurance or annuities and investment advisory services. The Company operates as a Financial Industry Regulatory Authority (FINRA) member firm and is a registered investment advisory firm. The Company and its owners are licensed with the FINRA. As of December 31, 2016, all registration fees and required filings have been made to the FINRA and the related state securities authorities.

**Note 2 – Summary of Significant Accounting Policies**

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Basis of Accounting*

The accompanying financial statements are prepared on the accrual basis of accounting. Expenses are recognized when incurred, rather than when cash is disbursed, and revenue is recognized when earned, rather than when cash is received.

*Statement of Cash Flows*

For purposes of the Statement of Cash Flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months, that are not held for sale in the ordinary course of business.

*Allowance for Doubtful Accounts*

The Company provides for estimated losses on accrued fees receivable, using the allowance method, based on prior bad debt experience and a review of existing receivables. The Company has evaluated its accrued fees receivable at December 31, 2016 and has determined that no allowance for doubtful accounts is required as the accrued fees receivable balance at December 31, 2016 has been collected in full subsequent to December 31, 2016.

**Hudson Heritage Capital Management, Inc.**  
**Notes to the Financial Statements (continued)**  
**December 31, 2016**

**Note 2 – Summary of Significant Accounting Policies (continued)**

*Commissions*

Commissions are recorded as securities transactions occur and are credited by account.

*Investment Advisory Income*

Investment advisory fees are received quarterly but are recognized as earned on a pro rata basis over the term of the contract.

**Note 3 – Fair Value**

*Fair Value Hierarchy*

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- *Level 1.* Quoted prices (unadjusted) in active markets for identical assets or liabilities the Company can access at the measurement date.
- *Level 2.* Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.
- *Level 3.* Unobservable inputs for the asset or liability.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

**Hudson Heritage Capital Management, Inc.**  
**Notes to the Financial Statements (continued)**  
**December 31, 2016**

**Note 3 – Fair Value (continued)**

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The Company's financial instruments consist mainly of cash, accounts payable and accrued expenses. The carrying amounts in these financial statements approximate fair value due to their short-term nature.

**Note 4 – Income Taxes**

The Company, with the consent of its shareholders, has elected S Corporation status for Federal and New York State income tax purposes. As such, the stockholders of the Company are required to include the Company's taxable income on their individual income tax returns. Accordingly, there is no provision for Federal and New York State income taxes. The Company also does business in New Jersey, where S Corporation status has not been elected. The Company records a provision for income taxes for its New Jersey income tax and New York franchise tax. The provision for income taxes for the year ended December 31, 2016 consists of \$3,050 in current state income taxes.

The Company recognizes and measures its unrecognized tax benefits in accordance with FASB ASC 740, Income Taxes. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change. The Company is currently not under any examination by federal or state tax authorities. The Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2013.

**Note 5 – Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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. At December 31, 2016, the Company had net capital of \$154,431, which was \$149,431 in excess of its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital as of December 31, 2016 was 0.74 to 1.

**Hudson Heritage Capital Management, Inc.**  
**Notes to the Financial Statements (continued)**  
**December 31, 2016**

**Note 6 – Employee Benefit Plan**

The Company has a qualified retirement savings plan covering eligible full-time employees.

**Note 7 – Commitments and Contingencies**

*Operating Leases*

The Company rents office space under non-cancelable operating lease agreements expiring through 2018. Certain leases are subject to rental increases. The Company is also required to pay its pro-rata share of real estate taxes and other costs under certain leases.

Minimum annual future rental payments under the operating leases, excluding certain operating costs, follows:

Year ending December 31,

2017	\$ 50,580
2018	42,150
Total	<u>\$ 92,730</u>

Minimum payments have not been reduced by minimum sublease rentals of \$46,367 due in the future under non-cancelable subleases.

The following shows the composition of total rental expense for the year ended December 31, 2016:

Minimum rentals	\$ 78,593
Less: Sublease rentals	<u>(24,048)</u>
	<u>\$ 54,545</u>

**Note 8 – Basic Earnings Per Share**

Basic earnings per share of common stock were computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the year. Diluted earnings per share are not presented because the Company has issued no dilutive potential common shares.

**Hudson Heritage Capital Management, Inc.**  
**Notes to the Financial Statements (continued)**  
**December 31, 2016**

**Note 9 – Uncertainties, Contingencies, and Risks**

The Company is one of several defendants in a lawsuit brought by the beneficiary of a life insurance policy claiming damages of \$5,000,000 from the defendants, for which the defendants have \$6,000,000 in combined liability insurance coverage. It is the position of management and legal counsel for the Company that the claim is without merit and that there is a high likelihood that the Company will be dismissed from the case after discovery and summary judgment motions are made, and accordingly, that the complaint will not have a material adverse effect on the Company's financial position.

**Note 10- Subsequent Events**

The Company has evaluated subsequent events through February 16, 2017, the date which the financial statements were available to be issued.

**SUPPLEMENTARY INFORMATION**

**Schedule I**

**Computation of Net Capital Under Rule 15c3-1 of the  
Securities and Exchange Commission  
As of December 31, 2016**

Net Capital	
Total stockholders' equity	\$ 183,587
Deduct stockholders' equity not allowable for net capital	<u>-</u>
Total stockholders' equity qualified for net capital	183,587
Deductions and/or charges:	
Nonallowable assets:	<u>(29,156)</u>
Net capital before haircuts on securities positions (tentative net capital)	154,431
Haircuts on securities	<u>-</u>
Net capital	<u><u>\$ 154,431</u></u>
Aggregate indebtedness:	
Accrued broker commissions and other current liabilities	<u><u>\$ 115,027</u></u>
Computation of basic net capital requirement	
6 2/3% of aggregate indebtedness	<u><u>\$ 7,668</u></u>
Minimum net capital required:	<u><u>\$ 5,000</u></u>
Excess net capital	<u><u>\$ 149,431</u></u>
Ratio: Aggregate indebtedness to net capital	<u><u>0.74 to 1</u></u>

**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 A (unaudited) FOCUS report	\$ 169,548
Audit adjustments to record additional compensation	(6,267)
Other audit adjustments, net	<u>(8,850)</u>
Net capital per above	<u><u>\$ 154,431</u></u>

HUDSON HERITAGE CAPITAL MANAGEMENT, INC.

COMPUTATION FOR DETERMINATION OF RESERVE  
REQUIREMENTS UNDER RULE 15c3-3

December 31, 2016

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The Company claims exemption from the requirements of SEC Rule 15c3-3, under Section (k)(1) of the Rule.

*See Report of Independent Registered Public Accounting Firm.*

HUDSON HERITAGE CAPITAL MANAGEMENT, INC.

INFORMATION FOR POSSESSION  
OR CONTROL REQUIREMENTS UNDER RULE 15c3-3

December 31, 2016

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The Company claims exemption from the requirements of SEC Rule 15c3-3, under Section (k)(1) of the Rule.

*See Report of Independent Registered Public Accounting Firm.*

SCHEDULE IV

HUDSON HERITAGE CAPITAL MANAGEMENT, INC.

Exemption Report Prepared Pursuant to Securities and Exchange Act of 1934 Rule 17a-5, 17 C.F.R. § 240.17a-5 of the U.S. Securities and Exchange Commission ("SEC")

December 31, 2016

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To the best of its knowledge and belief, Hudson Heritage Capital Management, Inc. (the "Company") states the following:

The Company claimed an exemption from 17 C.F.R. §240.15c3-3 under the provisions in paragraph (k)(1) - Limited business (Mutual Funds and/or Variable Annuities only) - (the "identified exemption provisions"). The Company met the identified exemption provisions throughout the most recent fiscal year ended December 31, 2016 without exception.

Hudson Heritage Capital Management, Inc.

I, Dominick Scianandre, affirm that, to the best of my knowledge and belief, this Exemption Report is complete and accurate.

By:



Title: President

Date: February 16, 2017

*See Report of Independent Registered Public Accounting Firm.*



76 North Walnut Street  
Ridgewood, New Jersey 07450  
201-652-4040  
fax: 201-652-0401  
www.bdgcpa.com

### Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of  
Hudson Heritage Capital Management, Inc.:

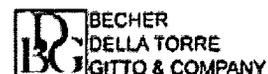
We have reviewed management's statements, included in the accompanying Supplemental Schedule IV, Exemption Report, in which (1) Hudson Heritage Capital Management, Inc. (the "Company") identified the following provisions of 17 C.F.R. § 15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(1) (the "exemption provisions") and (2) the Company 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.

*Becher, Della Torre, Gitto & Company*

Becher, Della Torre, Gitto & Company  
Ridgewood, New Jersey  
February 16, 2017





76 North Walnut Street  
Ridgewood, New Jersey 07450  
201-652-4040  
fax: 201-652-0401  
www.bdgcpa.com

## **Report of Independent Registered Public Accounting Firm on Applying Agreed-Upon Procedures**

To the Board of Directors and Stockholders of  
Hudson Heritage Capital Management, Inc.  
20 Baltic Place, Suite 2  
Croton-on-Hudson, New York

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2016, which were agreed to by Hudson Heritage Capital Management, Inc. (the "Company"), and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of Form SIPC-7. The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). 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, noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 (FOCUS Report) for the year ended December 31, 2016 with the amounts reported in Form SIPC-7 for the year ended December 31, 2016, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;

To the Board of Directors and Stockholders of  
Hudson Heritage Capital Management, Inc.  
Page 2

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; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences (if applicable).

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.

*Becher, Della Torre, Gitto & Company*

Becher, Della Torre, Gitto & Company  
Ridgewood, NJ  
February 16, 2017



**SIPC-7**

(33-REV 7/10)

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

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended 12/31/2016

(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:

10\*10\*\*\*\*\*1037\*\*\*\*\*ALL FOR AADC 105  
50648 FINRA DEC  
HUDSON HERITAGE CAPITAL MGNT INC  
20 BALTIC PL STE 2  
CROTON ON HUDSON NY 10520-1644

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.

**Dominick Scianandre 914-271-8102**

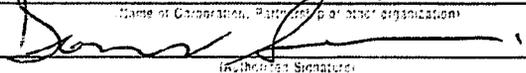
- 2. A. General Assessment (item 2e from page 2) \$ 1,972
- B. Less payment made with SIPC-6 filed (exclude interest) ( 966 )  
**July 21, 2016**  
Date Paid
- C. Less prior overpayment applied ( \_\_\_\_\_ )
- D. Assessment balance due or (overpayment) \_\_\_\_\_
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 1,006
- G. PAYMENT:  the box  
Check mailed to P.O. Box  Funds Wired   
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.

**Hudson Heritage Capital Management, Inc.**

(Name of Corporation, Partnership or other organization)



(Authorised Signature)

**President CEO**

Dated the 10th day of February, 2017

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

Calculations \_\_\_\_\_ Documentation \_\_\_\_\_ Forward Copy \_\_\_\_\_

Exceptions:

Disposition of exceptions:

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

Amounts for the fiscal period  
beginning 1/1/2016  
and ending 12/31/2016

Eliminate cents

Item No.

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

\$ 788,919

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): \_\_\_\_\_

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

(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 \_\_\_\_\_

2d. SIPC Net Operating Revenues

\$ 788,919

2e. General Assessment @ .0025

\$ 1972

(to page 1. line 2.A.)