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ANNUAL AUDITED REPORT

FORM X-17a-5

PART III

SEC
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Section

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Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder
Washington DC
414

OMB APPROVAL
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8-24181

REPORT FOR THE PERIOD BEGINNING January 1, 2016 AND ENDING December 31, 2016
Date Date

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Levy, Harkins & Co., Inc.

OFFICIAL USE ONLY

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

FIRM I.D. NO.

366 Madison Ave. - Floor 14
(No. and Street)

New York NY 10017
(City) (State) (Zip Code)

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

Andrew Kurian 203-227-1987

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Lerner & Sipkin CPAs LLP

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

132 Nassau Street, Suite 1023 New York NY 10038
(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)

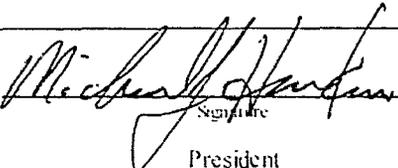
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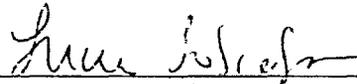
SEC 1410 (06-02)

RS

OATH OR AFFIRMATION

I, Michael Harkins, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Levy, Harkins & Co., Inc. 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:


Signature
President
Title


Notary Public

LUCIA LOSCALZO
NOTARY PUBLIC-STATE OF NEW YORK
No. 01106008231
Qualified in Westchester County
My Commission Expires June 08, 2018

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 Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (e) Statement of Cash Flows
- (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) Statement of Exemption from Rule 15c3-3.
- (k) A Reconciliation, or statement, 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.
- (l) An Oath or Affirmation.
- (m) SIPC Supplemental Report and Independent Accountant's Report
- (n) Report of Independent Registered Public Accounting Firm on Statement of Exemption or Compliance
- (o) 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).

Levy Harkins & Co., Inc.
Statement of Financial Condition
December 31, 2016

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LERNER & SIPKIN
CERTIFIED PUBLIC ACCOUNTANTS LLP

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jlerner@lerner-sipkin.com

Joseph G. Sipkin, C.P.A.
jsipkin@lerner-sipkin.com

INDEPENDENT AUDITORS' REPORT

To the Stockholders of
Levy, Harkins & Co., Inc.
366 Madison Avenue – 14th Floor
New York, NY 10017

We have audited the accompanying statement of financial condition of Levy, Harkins & Co., Inc. (the Company) as of December 31, 2016. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

We conducted our audit in accordance with the standards of 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 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of Levy, Harkins & Co., Inc. as of December 31, 2016 in conformity with accounting principles generally accepted in the United States.

Lerner & Sipkin CPAs, LLP
Lerner & Sipkin CPAs, LLP
Certified Public Accountants (NY)

New York, NY
February 14, 2017

Levy Harkins & Co., Inc.
Statement of Financial Condition
December 31, 2016

ASSETS

Cash and cash equivalents	\$ 761,073
Investment advisory fees receivable	454,625
Prepaid expenses and other receivables	81,699
Furniture, fixtures and leasehold improvements, net of accumulated depreciation and amortization of \$223,554	124,657
Security deposit	129,161
Pension plan asset	982,296
Total assets	<u>\$ 2,533,511</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities

Accounts payable and accrued expenses	\$ 126,618
Total liabilities	<u>126,618</u>

Commitments and contingencies

Stockholders' Equity

Common stock - \$1.00 par value; 430.10 shares authorized, issued and outstanding	400
Additional paid-in capital	39,750
Retained earnings	2,549,932
Less: 221.50 shares treasury stock at cost	(92,662)
Accumulated other comprehensive income (loss)	(90,527)
Total stockholders' equity	<u>2,406,893</u>
Total liabilities and stockholders' equity	<u>\$ 2,533,511</u>

See accompanying notes to the Statement of Financial Condition

Levy Harkins & Co., Inc.
Notes to Statement of Financial Condition
December 31, 2016

1. Organization and Nature of Business

Levy Harkins & Co., Inc. (the "Company") is a registered broker-dealer, providing investment advisory services mainly to individual investors. The Company is registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company clears all securities transactions through its clearing broker, National Financial Services LLC, on a fully disclosed basis.

2. Summary of Significant Accounting Policies

Method of Accounting - The accompanying Statement of Financial Condition has been prepared on the accrual basis of accounting. The accrual basis of accounting recognizes revenue in the accounting period in which revenue is earned regardless of when cash is received, and recognizes expenses in the accounting period in which expenses are incurred regardless of when cash is disbursed.

Management's use of Estimates and Assumptions - The preparation of the Statement of Financial Condition in accordance 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 disclosures of contingent assets and liabilities at the date of the Statement of Financial Condition. Actual results could differ from those estimates.

Revenue Recognition - Securities transactions (and the recognition of related income and expenses) are recorded on a settlement date basis, generally the third business day following the transaction date. There is no material difference between trade and settlement date.

Cash and Cash Equivalents - Cash equivalents consist of highly liquid investments with maturities of three months or less.

Income Taxes - The Company has elected to be treated as an "S" Corporation under the provisions of the Internal Revenue Code and New York State tax regulations. Under the provisions, the Company does not pay federal or state corporate income taxes on its taxable income. Instead, the stockholders are liable for individual income taxes on their respective shares of the Company's taxable income. Provision for New York City General Corporation Tax was based on income plus certain modifications to net income.

Fixed Assets - Furniture and fixtures are depreciated on the accelerated cost recovery and straight-line methods over an estimated useful life of three to ten years. The various methods are used for book and tax purposes and do not differ materially from generally accepted accounting depreciation methods. Leasehold improvements are recorded at cost and are amortized in accordance with the straight-line method over the life of the lease.

Levy Harkins & Co., Inc.
Notes to Statement of Financial Condition (continued)
December 31, 2016

2. Summary of Significant Accounting Policies (continued)

Pension Costs – The Company accounts for pension costs under SFAS No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits" and SFAS No. 158 "Employers' Accounting for Defined Benefit Pension and other Post-Retirement Plans." Among other things the provisions of these standards standardize the disclosure requirements for pension and other post-retirement benefits to the extent practicable.

Changes in the value of pension assets and pension obligations are netted and recognized on the Statement of Financial Condition as they occur. Items recognized on the Statement of Financial Condition but deferred for income statement recognition are included in accumulated other comprehensive income.

Government and Other Regulation – The Company's business is subject to significant regulation by various governmental agencies and self-regulatory organizations, including the SEC and FINRA. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Company is conducting and reporting its operations in accordance with the applicable requirements of these organizations. As a registered broker dealer, the Company is subject to the SEC's net capital rules (Rule 15c3-1) which require that the Company maintain a minimum net capital, as defined. The Company is exempt from Rule 15c3-3 under (k)(2)(ii) as the Company does not hold any customers' funds or securities.

3. Pension Plan

The Company established, in 1999, a non-contributory defined benefit pension plan and a defined contribution plan which in total cover all full-time employees. Benefits are based on years of service and compensation. The following table sets forth the plans funded status and amounts recognized in the Company's Statement of Financial Condition at December 31, 2016:

Benefit obligation	\$ 3,457,213
Fair value of plan assets	4,439,509
Funded status	<u>\$ 982,296</u>
Amount recognized in the statement of financial condition (net of deferred taxes)	\$ 982,296
Accumulated benefit obligation	\$ 3,393,587
Weighted-average assumptions	
Discount rate	3.80%
Expected return on plan assets	9.00%
Rate of compensation increase	3.00%
Employee contribution	\$ -
Benefits paid	\$ 260,000

Levy Harkins & Co., Inc.
Notes to Statement of Financial Condition (continued)
December 31, 2016

3. Pension Plan (continued)

To develop the expected long-term rate of return on assets assumption, the Company considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio. This resulted in the selection of the 9% long-term rate of return on assets assumption.

As of December 31, 2016, the pension plan assets were allocated 100% to equity securities.

The Company's overall investment strategy for the pension plan assets is to ensure assets are invested in a manner necessary to meet expected future benefits earned by participants while still allowing for a prudent level of risk. Risk tolerance is established through consideration of plan demographics, plan liabilities, plan funded status and overall corporate financial condition.

The Company does not expect to contribute to its pension plan in fiscal 2017.

The following pension benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

2017	\$ 260,000
2018	\$ 260,000
2019	\$ 260,000
2020	\$ 260,000
Thereafter	\$ 1,300,000

4. Commitments and Contingencies

The Company operates at office facilities under a lease expiring July 31, 2018. The lease is subject to escalations for the increases in the Company's pro rata share of real estate taxes and other operating expenses. The Company's minimum rental commitments over the life if the lease is as follows:

2017	\$ 405,985
2018	<u>231,792</u>
	<u>\$ 637,777</u>

The Company had no equipment rental commitments, no underwriting commitments, no contingent liabilities, no guarantees and had not been named as a defendant in any lawsuit at December 31, 2016.

Levy Harkins & Co., Inc.
Notes to Statement of Financial Condition (continued)
December 31, 2016

5. Related Party Transaction

The Company rents additional office space from an affiliate of the Company on a month to month basis.

6. Financial Instruments with Off-Balance Sheet Credit Risk

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company's transactions are collateralized and are executed with and on behalf of banks, brokers and dealers and other financial institutions. The Company introduces these transactions for clearance to another broker/dealer on a fully disclosed basis. The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to satisfy their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such non-performance by its customers.

The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing brokers internal guidelines. The Company monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions when necessary.

7. Concentrations of Credit Risk

As of December 31, 2016, and from time to time, the bank balances are in excess of the FDIC insurance limit.

8. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500%. At December 31, 2016, the Company had net capital of \$629,800, which was \$621,359 in excess of its required net capital of \$8,441. The Company's net capital ratio was 0.20%.

9. Subsequent Events

Subsequent events have been evaluated through the date the Statement of Financial Condition was available to be issued and no events have been identified which require disclosure.