

Public

SEC



17008708

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden hours per response.....	12.00

Securities and Exchange

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

MAR - 1 2017

SEC FILE NUMBER
8-69282

RECEIVED

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

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: WNJ Capital, Inc.	OFFICIAL USE ONLY FIRM I.D. NO.	
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 1601 Sansom St (No. and Street)		
Philadelphia	PA	19103
(City)	(State)	(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
John Miller 917-620-6006
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

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

1514 Old York Rd	Abington	PA	19001
(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.

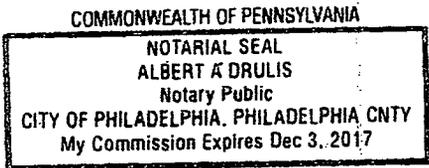
RMS

OATH OR AFFIRMATION

I, WILLIAM MORRIS JORDAN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of WMS CAPITAL, as of FEB, 20 17, 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:

[Handwritten Signature]
Notary Public

[Handwritten Signature]
Signature
CEO
Title



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).

WNJ Capital, Inc.
TABLE OF CONTENTS
December 31, 2016

ANNUAL AUDITED FOCUS REPORT FACING PAGE 1-2

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON THE FINANCIAL STATEMENTS..... 3

FINANCIAL STATEMENTS

Statement of Financial Condition..... 4

Notes to Financial Statements..... 5-8

Sanville & Company

CERTIFIED PUBLIC ACCOUNTANTS

ROBERT F. SANVILLE, CPA
MICHAEL T. BARANOWSKY, CPA
JOHN P. TOWNSEND, CPA

1514 OLD YORK ROAD ABINGTON, PA 19001
(215) 884-8460 • (215) 884-8686 FAX

MEMBERS OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
PENNSYLVANIA INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

17 BATTERY PLACE, 11th FLOOR
NEW YORK, NY 10004
(212) 709-9512

INDEPENDENT AUDITOR'S REPORT

To the Stockholder of
WNJ Capital, Inc.

We have audited the accompanying statement of financial condition of WNJ Capital, 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.

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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall statement of financial condition 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 WNJ Capital, Inc. as of December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.



Abington, Pennsylvania
February 27, 2017

WNJ Capital, Inc.
Statement of Financial Condition
December 31, 2016

Assets

Cash and cash equivalents	\$ 97,936
Securities owned, at fair value	2,765,779
Interest receivable	9043
Deposits with clearing broker	914,006
Prepaid expenses, deposits and other assets	5,000
Total Assets	<u>3,791,764</u>

Liabilities

Accounts payable and accrued expenses	75,169
Payable to clearing broker	2,051,674
Securities sold not yet purchased, at fair value	1,079,260
Total liabilities	<u>3,206,103</u>

Stockholder's Equity

Common stock-No par value, authorized, issued and outstanding- 1,000 shares	10,000
Additional paid in capital	575,661
Retained Earnings	-
Total stockholder's equity	<u>585,661</u>
Total liabilities and stockholder's equity	<u>\$ 3,791,762</u>

The accompanying notes are an integral part of this financial statement.

WNJ Capital, Inc.

Notes to Financial Statement December 31, 2016

1. Organization

WNJ Capital, Inc. (the "Company") is a registered broker dealer with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA "). The Company was incorporated under the laws of the Commonwealth of Pennsylvania on October 4, 2010. The Company, like other broker dealers, is directly affected by general economic and market conditions, including fluctuations in volume and price level of securities, changes in interest rates and securities brokerage services, all of which have an impact on the Company's liquidity.

2. Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Company in the preparation of its financial statements. The policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Revenue—Securities transactions and related commission revenue are recorded on a trade date basis.

Concentration of credit risks – The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant credit risk related to cash.

The Company is engaged in various trading and brokerage activities in which counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument.

Depreciation – Fixed asset purchases are classified as three or seven-year property for depreciation purposes. They are depreciated under accelerated methods. There was no depreciation expense for the year ended December 31, 2016.

Cash and cash equivalents – The Company includes as cash and cash equivalents amounts invested in money market mutual funds.

Income taxes – The Company, with the consent of its stockholder, has elected to be taxed under the sanctions of federal law as an S corporation. As a result of this election, no provision has been made for income taxes. Instead stockholders individually pay tax on their pro-rata share of Company's income.

The Company recognizes and discloses uncertain tax positions in accordance with GAAP. As of, and during the year ended, December 31, 2016, the Company did not have liability for unrecognized tax benefits. The Company is no longer subject to examination by federal and state taxing authorities for tax periods prior to 2013.

WNJ Capital, Inc.

Notes to Financial Statement (Continued)

December 31, 2016

2. Summary of Significant Accounting Policies (Continued)

Fair Value- FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. 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 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

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.

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 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 following table summarizes the valuation of the Company's investments by the above fair value hierarchy levels as of December 31, 2016:

Assets	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Municipal Bonds	\$ _____	\$ <u>2,765,779</u>	\$ _____
Liabilities			
Securities sold, not yet purchased			
United States Treasury Bonds	\$ _____	\$ <u>1,079,260</u>	\$ _____

WNJ Capital, Inc.
Notes to Financial Statement (Continued)
December 31, 2016

2. Summary of Significant Accounting Policies (Continued)

The Company did not hold any Level 3 investments during the year ended December 31, 2016. The Company did not hold any derivative instruments at any time during the year ended December 31, 2016. There were no significant transfers into or out of Level 1 or Level 2 during the period. It is the Company's policy to recognize transfers into and out of Level 2 at the end of the reporting period.

Use of estimates – The preparation of financial statements in conformity with 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 may differ from those estimates and assumptions.

Subsequent events- Management has evaluated subsequent events through February 27, 2017, the date at which the financial statements were available to be issued and has determined that there were no subsequent events requiring recognition or disclosure in these financial statements.

3. Operating Leases

The Company leases office space under an operating lease that will expire in November 2017. The lease requires the Company to pay monthly minimum rent of \$4,027. Rent expense for the year ended December 31, 2016 was \$44,570.

The Company leased various technology software under an operating lease that expired in June 2016. The lease required the Company to pay a monthly fee of \$8,560. Expense for this service for the year ended December 31, 2016 was \$44,056.

Future minimum lease payments under operating leases are \$44,297 for 2017.

4. Net Capital Requirements

The Company is a member of the FINRA and is subject to the SEC Uniform Net Capital Rule 15c3-1. This Rule 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 \$337,594 which was \$237,594 in excess of its required net capital of \$100,000. The Company's net capital ratio was 0.2227 to 1.

5. Financial Instruments with Off Balance Sheet Risk

In the normal course of business, the Company is a party to financial instruments with off balance sheet risk. These financial instruments include securities sold, not yet purchased, outstanding delayed delivery, underwriting, future commitments and options contracts that involve elements of risks in excess of the amounts recognized in the statement of income. Accordingly, these transactions result in off-balance sheet risk as the Company's ultimate obligation to satisfy the sale of securities sold, not yet repurchased may exceed the amount recognized in the statement of financial condition. These contracts are valued at market, and unrealized gains and losses are reflected in the financial statements. As of December 31, 2016, the Company held no derivative financial instruments used for hedging purposes.

WNJ Capital, Inc.

Notes to Financial Statement (Continued)

December 31, 2016

6. Clearing Agreement

The Company maintains a clearing agreement with Hilltop Securities. Under the agreement, the Company maintains a clearing deposit which was \$914,006 at December 31, 2016. Hilltop Securities will finance the Company's inventory under normal margin terms. The Company owed Hilltop Securities \$2,051,674 at December 31, 2016.

7. Securities Sold, Not Yet Purchased

Securities sold, not yet purchased, represent obligations of the Company to purchase the securities at prevailing market prices. As such, the future satisfaction of these obligations may be at amounts that are greater or less than that recorded in the accompanying statement of financial condition. The ultimate gains or losses depend upon the price at which the financial instruments are purchased to settle the Company's obligations under the sale commitments.