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

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

Mail Processing Section

MAR 01 2017
Washington DC

SEC FILE NUMBER
8-69352

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 January 1, 2016 AND ENDING December 31, 2016
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Richard James & Associates, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

548 Derby Drive South

(No. and Street)

Oceanside

(City)

New York

(State)

11572

(Zip Code)

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

James Dolan

516-581-5940

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Berkower, LLC

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

517 Route One

(Address)

Iselin

(City)

NJ

(State)

08830

(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)

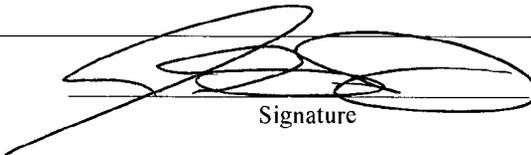
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OATH OR AFFIRMATION

I, James Dolan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Richard James & Associates, Inc. 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

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.
- (o) A Review Report regarding the included Exemption Report

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

RICHARD JAMES & ASSOCIATES, INC.

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BERKOWER LLC

Certified Public Accountants and Advisors

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholder of
Richard James & Associates, Inc.

We have audited the accompanying statement of financial condition of Richard James & Associates, Inc. as of December 31, 2016, and the related statements of operations, changes in shareholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of Richard James & Associates, Inc.'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 Richard James & Associates, Inc. as of December 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 information presented by Richard James & Associates, Inc. as supplemental information pursuant to Securities and Exchange Commission Rule 17a-5(d)(2)(ii) (the "Supplemental Information") has been subjected to audit procedures performed in conjunction with the audit of Richard James & Associates, Inc. financial statements. The Supplemental Information is the responsibility of Richard James & Associates, Inc.'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.

Berkower LLC

Berkower LLC

Iselin, New Jersey
February 27, 2017

517 Route One, Iselin, NJ 08830 • P (732) 781-2712 • F (732) 781-2732

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New Jersey • California • Cayman Islands



RICHARD JAMES & ASSOCIATES, INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2016

ASSETS

Cash	\$ 81,600
Other assets	<u>6,866</u>
TOTAL ASSETS	<u>\$ 88,466</u>

LIABILITIES AND SHAREHOLDER'S EQUITY

LIABILITIES	
Accrued expenses and other liabilities	\$ 24,000
SHAREHOLDER'S EQUITY	
Common stock, no par value; 200 shares authorized, issued and outstanding, at stated value	\$ 131,000
Accumulated deficit	<u>(66,534)</u>
TOTAL SHAREHOLDER'S EQUITY	<u>64,466</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	<u>\$ 88,466</u>

The accompanying notes are an integral part of this statement.

RICHARD JAMES & ASSOCIATES, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2016

EXPENSES		
Professional Fees	\$ 10,215	
Regulatory Fees	16,556	
Other expenses	<u>1,098</u>	
 TOTAL EXPENSES		 <u>27,869</u>
 NET LOSS		 <u><u>\$(27,869)</u></u>

The accompanying notes are an integral part of this statement.

RICHARD JAMES & ASSOCIATES, INC.
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Total</u>	<u>Common Stock</u>	<u>Accumulated Deficit</u>
SHAREHOLDER'S EQUITY - beginning of the year	\$ 92,335	\$ 131,000	\$ (38,665)
Net loss	(27,869)		(27,869)
	<hr/>	<hr/>	<hr/>
SHAREHOLDER'S EQUITY - end of the year	<u>\$ 64,466</u>	<u>\$ 131,000</u>	<u>\$ (66,534)</u>

The accompanying notes are an integral part of this statement.

RICHARD JAMES & ASSOCIATES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss		\$ (27,869)
Adjustments to reconcile net loss to net cash provided by operating activities:		
(Increase) decrease in operating assets:		
Other assets	(5,095)	
Increase (decrease) in operating liabilities:		
Accrued expenses and other liabilities	<u>18,225</u>	
TOTAL ADJUSTMENTS		<u>13,130</u>
NET CASH USED BY OPERATING ACTIVITIES		(14,739)
CASH AT BEGINNING OF YEAR		<u>96,339</u>
CASH AT END OF YEAR		<u><u>\$ 81,600</u></u>

The accompanying notes are an integral part of this statement.

RICHARD JAMES & ASSOCIATES INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Richard James & Associates, Inc. (the "Company") was organized in the State of New York on August 14, 2013 and on July 8, 2014 became registered as a broker-dealer with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company is a wholly owned subsidiary of Nitro Holdings Corp. The Company is exempt from SEC rule 15c3-3 under Section k(2)(i).

Subsequent to year end 2015, the Company entered into negotiations for the sale of the common stock of the Company. Prospective ownership is awaiting FINRA's approval of the continuing membership application to effectuate the sale for regulatory purposes. In connection with the pending sale, the potential acquirer advanced approximately \$19,000 to the Company which is included in accrued expenses and other liabilities in the accompanying statement of financial condition.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain recorded amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and revenue and expenses for the period reported. Accordingly, actual results could differ from those estimates.

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

The Company maintains cash and cash equivalents with financial institutions. Funds deposited with a single bank are insured up to \$250,000 in the aggregate by the Federal Deposit Insurance Corporation ("FDIC"). Cash and securities deposited with a single brokerage institution are insured up to \$500,000 per account type of which a maximum of \$250,000 in cash is insured by the Securities Investor Protection Corp. ("SIPC"). At times, cash balances may exceed the insured limits. The Company has not experienced any losses in such accounts.

The Company records commission revenue and expenses on a trade date basis.

FASB ASC – Financial Accounting Standards Board, Accounting Standards Codification 820, Fair Value Measurement (ASC 820).

RICHARD JAMES & ASSOCIATES INC.
NOTES TO FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2016

2. INCOME TAXES

The Company is recognized as a "C" Corporation by the Internal Revenue Service. Net operating loss carryforwards of approximately \$28,000 exist which will expire December 31, 2036.

Uncertain tax positions should be recognized, measured, disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Partnership's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. The tax years that remain subject to examination are 2013, 2014, 2015 and 2016. As of December 31, 2016 management has determined that there are no material uncertain income tax positions.

3. LIABILITIES SUBORDINATED TO THE CLAIMS OF GENERAL CREDITORS

As of December 31, 2016, the Company had not entered into any subordinated loans agreements.

4. COMMITMENTS AND CONTINGENCIES

As of December 31, 2016, the Company is not party to or subject to any adverse legal action.

5. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission's Net Capital 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 (and the rule of the 'applicable' exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1.) At December 31, 2016, the Company had net capital of \$57,600 which exceeded the minimum requirement of \$5,000 by \$52,600. The Company's ratio of aggregate indebtedness to net capital was .42 to 1.

6. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date that these financial statements were available to be issued and no further information is required to be disclosed.

RICHARD JAMES & ASSOCIATES, INC.
COMPUTATION OF NET CAPITAL PURSUANT TO
UNIFORM NET CAPITAL RULE 15C3-1

DECEMBER 31, 2016

CREDITS	
Shareholder's equity	\$ 64,466
DEBITS	
Other assets	<u>6,866</u>
NET CAPITAL	57,600
Minimum net capital requirement	<u>5,000</u>
EXCESS NET CAPITAL	<u>\$ 52,600</u>
AGGREGATE INDEBTEDNESS	
Accrued expenses and other liabilities	<u>\$ 24,000</u>

Ratio of aggregate indebtedness to net capital .4167 to 1

STATEMENT PURSUANT TO PARAGRAPH (d)(4) OF RULE 17a-5

There are no material differences between the above computation and the computation included in the Company's corresponding unaudited Form X - 17a - 5 Part IIA as of December 31, 2016.

See the accompanying Report of Independent Registered Public Accounting Firm.

RICHARD JAMES & ASSOCIATES, INC.

COMPUTATION FOR DETERMINATION OF THE RESERVE REQUIREMENTS
AND INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS
FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3

FOR THE YEAR ENDED DECEMBER 31, 2016

The Company does not effect transactions for anyone defined as a customer under paragraph (k)(2)(i) of Rule 15c3-3. Accordingly, there are no items to report under the requirements of this rule.

See the accompanying Report of Independent Registered Public Accounting Firm.

BERKOWER LLC

Certified Public Accountants and Advisors

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholder of
Richard James & Associates, Inc.

We have reviewed management's statements, included in the accompanying Richard James & Associates, Inc. exemption report pursuant to Rule 17a-5(d)(1) and Rule 17a-5(d)(4), in which (1) Richard James & Associates, Inc. identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Richard James & Associates, Inc. claimed an exemption from 17 C.F.R. § 240.15c3-3: (2)(i) (the "exemption provisions") and (2) Richard James & Associates, Inc. stated that Richard James & Associates, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Richard James & Associates, Inc.'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 Richard James & Associates, Inc.'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.

Berkower LLC

Berkower LLC

Iselin, New Jersey
February 27, 2017

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RICHARD JAMES & ASSOCIATES, INC.

EXEMPTION REPORT PURSUANT TO
RULE 17a-5(d)(1) and RULE 17a-5(d)(4)

FOR THE YEAR ENDED DECEMBER 31, 2016

RICHARD JAMES & ASSOCIATES, INC. (the "Company") is a registered broker dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 CFR (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers.) This Exemption report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (d)(4). To the best of its knowledge and belief the Company states that:

The Company claimed an exemption from SEA Rule 15c3-3 under the following provision of that Rule: SEA Rule 15c3-3(k)(2)(i).

The Company met the identified exemption provisions in SEA Rule 15c3-3(k)(2)(i) throughout the most recent fiscal year without exception.

RICHARD JAMES & ASSOCIATES, INC.

I, James Dolan, affirm that , to my best knowledge and belief, the Exemption Report is true and correct.

By: 
Title: President

February 27, 2017

RICHARD JAMES & ASSOCIATES, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2016

**CONFIDENTIAL
TREATMENT
REQUESTED**