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

MAR 01 2017

Washington DC 406

SEC FILE NUMBER 8-27911

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 01/01/2016

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Kaufman & Company, LLC

OFFICIAL USE ONLY FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 100 Franklin Street, No 403

(No. and Street) Boston, MA 02110 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT Sumner Kaufman 617-426-0444 (Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Starr, Finer, Starr LLP

(Name - if individual, state last, first, middle name) 1280 Soldiers Field Road Boston MA 02135 (Address) (City) (State) (Zip Code)

CHECK ONE:

- [x] Certified Public Accountant [ ] Public Accountant [ ] Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

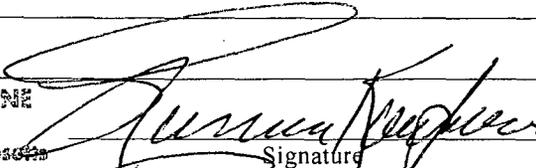
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, Sumner Kaufman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Kaufman & 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:

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

 **PATRICIA E. BOUTIN-SKENE**  
Notary Public  
Commonwealth of Massachusetts  
My Commission Expires  
May 11, 2023

  
\_\_\_\_\_  
Signature  
President  
\_\_\_\_\_  
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).

KAUFMAN & COMPANY, LLC

DECEMBER 31, 2016

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# STARR, FINER, STARR LLP

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Members

Kaufman & Company, LLC

We have audited the accompanying statement of financial condition of Kaufman & Company, LLC (a Massachusetts Limited Liability Company) as of December 31, 2016 and the related notes to the financial statement. This financial statement is the responsibility of Kaufman & Company, LLC'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 from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial position presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above present fairly, in all material respects, the financial condition of Kaufman & Company, LLC as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

Boston, Massachusetts  
February 16, 2017

*Starr, Finer, Starr LLP*

KAUFMAN & COMPANY, LLC

Statement of Financial Condition as of December 31, 2016

ASSETS

CURRENT:

Cash	\$64,032
Accounts Receivable-Trade	<u>242</u>
Total Current Assets	<u>64,274</u>

PROPERTY AND EQUIPMENT:

Cost	33,776
Accumulated Depreciation	<u>33,776</u>
	<u>---</u>
	<u>\$64,274</u>

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES:

Current:

Accounts Payable	\$26,994
Other Accruals	<u>21,742</u>
Total Current Liabilities	48,736

MEMBERS' EQUITY

MEMBERS' EQUITY	<u>15,538</u>
	<u>\$64,274</u>

COMMITMENTS AND CONTINGENCIES (NOTE D)

(See Accompanying Notes to the Statement of Financial Condition)

KAUFMAN & COMPANY, LLC

Notes to the Statement of Financial Condition as of December 31, 2016

NOTE A - NATURE OF ORGANIZATION

Kaufman & Company, LLC, is a Massachusetts registered broker-dealer offering financial advisory services primarily in connection with arranging private placements, mergers and acquisitions.

In accordance with the operating agreement, the Company shall continue in existence until December 31, 2053 unless dissolved sooner.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounts Receivable. Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States of America require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

Property and Equipment. The cost and estimated service lives used in computing depreciation are as follows:

	SERVICE YEARS	2016
Furniture and Fixtures	5-7	\$33,776

Income Taxes. No provision or liability for income taxes has been included in the financial statements. As a limited liability company, any income or loss is included in the tax returns of the members.

The Company's income tax returns are subject to examination by taxing authorities generally for a period of three years from the date they are filed. At December 31, 2016, the years 2013-2015 are open for examination.

Revenue Recognition. Revenue from financial advisory services are recognized when the contracted services are provided.

Advertising. The Company charges advertising costs to operations when incurred.

Concentration of Credit Risk. The Company maintains its cash account in one financial institution. At times, the balance may exceed federally insured limits. The Company has not experienced any loss in such account.

KAUFMAN & COMPANY, LLC

Notes to the Statement of Financial Condition as of December 31, 2016  
(Continued)

Use of Estimates. 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 reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE C - RETIREMENT PLAN

The Company sponsors a profit sharing plan and makes annual contributions, dependent upon profits and at the discretion of management, to the trustee of the profit sharing trust to provide funds with which to pay benefits to employees at retirement.

NOTE D - OPERATING LEASES

The Company is obligated under a 24 month lease agreement expiring December 2016 for office space at an annual rental of \$137,560. Provisions of the lease agreement include: (1) payment of certain operating costs and real estate taxes.

On February 4, 2017, the Company entered into a 27 month sublease agreement expiring April 30, 2019 for office space at minimum future rental payments of:

<u>Year</u>	<u>Amount</u>
2017	\$76,785
2018	86,194
2019	29,540

NOTE E - SUBSEQUENT EVENTS

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