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

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

SEC FILE NUMBER	
8 -	65846

**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 1/1/2016 AND ENDING 12/31/2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**Near Earth LLC**

OFFICIAL USE ONLY
_____
FIRM ID. NO.

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

**945 West Road**

(No. and Street)

**New Canaan**

**Connecticut**

**06840**

(City)

(State)

(Zip Code)

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

**Hoyt Davidson Managing Member**

**203-972-9062**

(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

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\*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).

CM

OATH OR AFFIRMATION

I, Hoyt Davidson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Near Earth 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:

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

Hoyt Davidson  
Signature

Managing Member  
Title

Rui Moreira  
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 Cash Flows
- (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.
- (o) Independent Auditors' Report Regarding Rule 15c3-3 exemption
- (p) Rule 15c3-3 Exemption Report

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

**NEAR EARTH, LLC**

**STATEMENT OF FINANCIAL CONDITION  
AND  
INDEPENDENT AUDITORS' REPORT  
DECEMBER 31, 2016**

# NEAR EARTH, LLC

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**LERNER & SIPKIN**  
CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A.  
jlerner@lernerstipkin.com

Joseph G. Sipkin, C.P.A.  
jsipkin@lernerstipkin.com

INDEPENDENT AUDITORS' REPORT

To the Members of  
Near Earth LLC  
945 West Road  
New Canaan, CT 06840

We have audited the accompanying statement of financial condition of Near Earth LLC (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 Near Earth LLC as of December 31, 2016 in conformity with accounting principles generally accepted in the United States.

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

New York, NY  
February 16, 2017

**NEAR EARTH, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2016**

**ASSETS**

Cash and cash equivalents	\$ 96,250
Accounts receivable	12,500
Investments (Note 1)	21,062
Other assets	<u>2,820</u>
Total assets	<u>\$ 132,632</u>

**LIABILITIES AND MEMBERS' EQUITY**

**Liabilities:**

Accounts payable and accrued expenses	\$ 4,147
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**Members' equity**

	<u>128,485</u>
Total liabilities and members' equity	<u>\$ 132,632</u>

The accompanying notes are an integral  
part of this statement

**NEAR EARTH, LLC**  
**NOTES TO FINANCIAL STATEMENT**  
**DECEMBER 31, 2016**

**1. Nature of business and summary of significant accounting policies**

*Nature of Operations*

Near Earth, LLC (the "Company"), a Limited Liability Company, is a broker-dealer registered with the Securities and Exchange Commission ("SEC") pursuant to section 15(b) of the Securities Exchange Act of 1934. The Company is also a member of the Financial Industry Regulatory Authority ("FINRA").

The Company earns consulting and advisory fees, including compensation in the form of stock or stock options, from providing investment banking services through its participation in private placement offerings and providing merger and acquisition, financial advisory and general corporate consulting services to companies.

*Basis of Presentation*

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") which 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 amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

*Cash Equivalents*

The Company considers money market mutual funds and other highly-liquid investments with original maturities of three months or less to be cash equivalents.

*Income Taxes*

The Company is a limited liability company for federal and state income tax purposes. As such, it does not pay any taxes. The Company's income or loss is taken into consideration in the tax returns of its members for federal and state income tax purposes.

**NEAR EARTH, LLC**  
**NOTES TO FINANCIAL STATEMENT**  
**(CONTINUED)**  
**DECEMBER 31, 2016**

*Fair Value Measurements*

The Company follows Financial Accounting Standard Board (FASB) guidance on Fair Value Measurements which defines fair value and establishes fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. As of and for the year ended December 31, 2016 all of the Company's investments held and income on principal transactions were valued using Level 3 inputs.

The Company's investments include an equity interest in a private portfolio company (the "Portfolio Company") that is carried at fair value as determined by Management. Management utilizes the Company's pro-rata interest in the net assets of the Portfolio Company as reported by the Portfolio Company's management. Management considers all relevant information available at the time the Portfolio Company values its investments. Management has assessed factors including, but not limited to, the Portfolio Company's price transparency and valuation procedures in place, capital subscription and redemption activity, and existence of certain redemption restrictions. The Portfolio Company generally records its investments at fair value in accordance with U.S. GAAP. The fair value at which the Portfolio Company is presented in the statement of financial condition may be different from the amount the Company would receive in a sale or liquidation of its investment and the differences may be material.

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

	Level 1	Level 2	Level 3	Total
<i>Assets</i>				
Equity Securities:				
Investments				
Deep Space Industries	\$ -	\$ -	\$ 5,000	\$ 5,000
Kacific	-	-	10,000	10,000
Space Services Holdings Inc.	-	-	6,062	6,062
<b>Total assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,062</b>	<b>\$ 21,062</b>

**NEAR EARTH, LLC**  
**NOTES TO FINANCIAL STATEMENT**  
**(CONTINUED)**  
**DECEMBER 31, 2016**

The following is a reconciliation of Level 3 investments for the year ended December 31, 2016:

	Balance December 31, 15	Net additions/ (sale)	Net change in unrealized appreciation/ (depreciation)	Balance December 31, 16
<i>Assets</i>				
Equity Securities:				
Investments				
Deep Space Industries	\$ 5,000	\$ -	\$ -	\$ 5,000
Kacific	10,000	-	-	10,000
Space Services Holdings Inc.	6,062	-	-	6,062
<b>Total assets</b>	<b>\$ 21,062</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,062</b>

The following table provides information on the valuation techniques and nature of significant unobservable inputs used to determine the value of level three assets:

Asset	Fair Value December 31, 2015	Valuation Techniques	Unobservable Inputs	Range of Inputs (Weighted Average)
Equities	\$ 21,062	Derived price	Value of underlying assets discounted for lack of marketability	25%-35% (30%)

## 2. Commitments and Contingencies

### *Office Lease*

The lease automatically renews month to month unless and until either party notifies the other party of its intention to terminate the agreement.

## 3. Regulatory Requirements

The Company is subject to the Securities and Exchange Commission's Uniform 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's net capital of \$92,103 was \$87,103 in excess of its required net capital of \$5,000.

## 4. Compliance with Rule 15c3-3

The Company does not hold customers' cash or securities. Therefore, it is not affected by Rule 15c3-3.