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ANNUAL AUDITED REPORT  
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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, 2017 AND ENDING December 31, 2017

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **JFD Securities, Inc.**

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

OFFICIAL USE ONLY
FIRM I.D. NO.

**46 Fairfield Terrace**  
 (No. and Street)

**Short Hills** **NJ** **07078**  
 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**Scott Rothman** **(973) 985-9533**  
 (Area code- Telephone number)

B. ACCOUNTANT IDENTIFICATION

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

**Leigh J Kremer CPA**  
 (Name- if individual, state last, first, middle name)

**27 Beach Road, Suite C0-5B** **Monmouth Beach** **NJ** **07750**  
 (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
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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)

SEC 1410 (06-02)

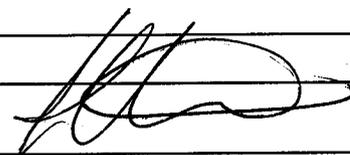
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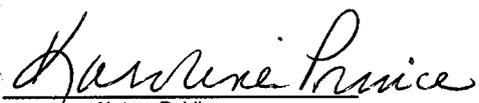
E.D.

OATH OR AFFIRMATION

I, Scott Rothman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of JFD Securities, Inc., as of December 31, 2017, are true and correct, I further swear (or affirm) that neither 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

**KAROLINE PRINCE**  
**A Notary Public of New Jersey**  
**My Commission Expires August 23, 2021**

This report \*\* contains (check 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 the 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 (Exemption Report)
- (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 the unaudited Statements of Financial Condition with respect to the 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).

**JFD Securities, Inc.**  
**Audited Financial Statements**  
**Table of Contents**

Report of Independent Registered Public Accounting Firm	2-3
Statement of Financial Condition	4
Statement of Operations	5
Statement of Changes in Financial Condition	6
Statement of Changes in Stockholder's Equity	7
Financial Statement Notes	8-9
Schedules I & II	10
Exemption Report	11
Report of Independent Registered Public Accounting Firm	12

**Leigh J. Kremer, CPA**  
**Certified Public Accountant**  
Member NJCPA, AICPA, PCAOB

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Monmouth Beach, NJ 07750  
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders  
JFD Securities, Inc.

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of JFD Securities, Inc., as of December 31, 2017, the related statements of operations, changes in shareholders' equity, and cash flows for the year then ended, and the related notes and schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of JFD Securities, Inc., as of December 31, 2017, 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 of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2. to the financial statements, the Company has suffered losses and had no revenues during the year, which raises substantial doubt about its ability to continue as a going concern. Management's plans regarding these matters are also discussed in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty

**Basis for Opinion**

These financial statements are the responsibility of JFD Securities, Inc.'s management. Our responsibility is to express an opinion on JFD Securities, Inc.'s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to JFD Securities, Inc., in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

### **Supplemental Information**

The Schedule I, Computation of Net Capital Under SEC Rule 15c3-1, Schedule II, Computation for Identification of Reserve Requirements Under SEC Rule 15c3-3, and Schedule III, Information Relating to Possession or Control Requirements Under SEC Rule 15c3-3 (exemption report) has been subjected to audit procedures performed in conjunction with the audit of JFD Securities, Inc.'s financial statements. The supplemental information is the responsibility of JFD Securities, 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 Schedule I, Computation of Net Capital Under SEC Rule 15c3-1, Schedule II, Computation for Identification of Reserve Requirements Under SEC Rule 15c3-3, and Schedule III, Information Relating to Possession or Control Requirements Under SEC Rule 15c3-3 (exemption report) is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have served as JFD Securities, Inc.'s auditor since 2016.

  
Leigh J Kremer, CPA  
Monmouth Beach, NJ  
February 16, 2018

**JFD Securities, Inc.**  
**Statement of Financial Condition**  
**As of December 31, 2017**

**ASSETS**

Current assets:

Cash	<u>\$ 9,941</u>
Total Current Assets	<u>\$ 9,941</u>

Total Assets	<u><u>\$ 9,941</u></u>
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**LIABILITIES & STOCKHOLDER'S EQUITY**

Liabilities:

Accounts payable & accrued expenses	<u>\$ 2,500</u>
Total Liabilities	\$ 2,500

Stockholder's equity:

Common stock, \$.05 par value, 2,000 shares authorized and issued	\$100
Additional paid - in capital	173,848
Dividends paid	(209,250)
Retained Earnings	<u>42,743</u>
Total stockholder's equity	<u>7,441</u>

Total Liabilities & Stockholder's Equity	<u><u>\$ 9,941</u></u>
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**Please see the notes to the financial statements.**

**JFD Securities, Inc.**  
**Statement of Operations**  
**For the Year Ended December 31, 2017**

General and administrative expenses:	
General administration	<u>\$ 1,000</u>
Total general and administrative expenses	<u>1,000</u>
Loss before income tax provision	\$(1,000)
	<hr/>
Net loss	<u><u>(\$1,000)</u></u>

**Please see the notes to the financial statements.**

**JFD Securities, Inc.**  
**Statement of Changes in Financial Condition**  
**For the Year Ended December 31, 2017**

Operating activities:	
Net loss	<u>(\$ 1,000)</u>
Net cash used by operations	(\$ 1,000)
Financing activities:	
Net Income	
Accrued Expenses	1,000
Capital contributed by stockholder	<u>\$ 0</u>
Net cash provided by financing activities	<u>0</u>
Net change in cash during the fiscal year	\$ 0
Cash at December 31, 2016	<u>9,941</u>
Cash at December 31, 2017	<u><u>\$ 9,941</u></u>
Supplemental disclosures of cash flow information:	
Interest paid during the fiscal year	\$0
Income taxes paid during the fiscal year	\$0

**Please see the notes to the financial statements.**

**JFD Securities, Inc.**  
**Statement of Changes in Stockholder's Equity**  
**For the Year Ended December 31, 2017**

	<b>Par Common Stock</b>	<b>Additional Paid - In Capital</b>	<b>Retained Earnings</b>	<b>Dividends Paid</b>	<b>Stockholders' Equity</b>
Balance at December 31, 2016	\$100	\$173,848	43,743	(\$209,250)	\$8,441
Stockholder contributions					
Net loss for the fiscal year			<u>(1,000)</u>		<u>(1,000)</u>
Balance at December 31, 2017	<u>\$100</u>	<u>\$173,848</u>	<u>\$42,743</u>	<u>(\$209,250)</u>	<u>\$7,441</u>

Please see the notes to the financial statements.

**JFD Securities, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2017**

**1. Organization**

JFD Securities, Inc. (the Company) is a privately held corporation formed in New Jersey for the purpose of conducting business as a securities broker dealer (BD). As a BD, the Company is a member of the Financial Industry Regulatory Authority (FINRA) to provide securities execution services. The Company receives a commission on stock and option transactions and is paid based on the amount of trades transacted. The Company has no commission revenues in fiscal 2017.

**2. Going Concern**

The accompanying financial statements have been presented in accordance with generally accepted accounting principles in the U.S., which assume the continuity of the Company as a going concern. However, the Company has incurred significant losses on material revenues to date and relies on financing from shareholder contributions. Management's plans with regard to this matter are as follows:

The Company is selling its BD license and ceasing operations.

**3. Summary of Significant Accounting Policies**

*Use of Estimates-* The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make reasonable estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses at the date of the financial statements and for the period they include. Actual results may differ from these estimates.

*Cash-* For the purpose of calculating changes in cash flows, cash includes all cash balances and highly liquid short-term investments with original maturity date of three months or less.

*Income taxes-* The Company has elected to be taxed as an S corporation under the Internal Revenue Service Code. Accordingly, under such an election, the Company's taxable income is reported by the individual shareholder and therefore, no provision for federal income taxes has been included in these financial statements.

#### **4. Fair Value of Financial Instruments**

*Fair Value Measurements* under generally accepted accounting principles clarifies the principle that fair value should be based on the assumptions market participants would use when pricing an asset or liability and establishes a fair value hierarchy that prioritizes the information used to develop those assumptions. Under the standard, fair value measurements are separately disclosed by level within the fair value hierarchy as follows.

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

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. In certain cases, 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 the fair value measurement is disclosed and is determined based on the lowest level input that is significant to the fair value measurement.

Cash and accounts payable and accrued expenses in the balance sheet are estimated to approximate fair market value at December 31, 2017 because of their short-term nature.

#### **5 Subsequent Events**

The Company has made a review of material subsequent events from December 31, 2017 through the date of this report and found no material subsequent events reportable during this period.

**Schedule I & II**  
**Computation of Net Capital Under Rule 15c3-1 of the Securities and**  
**Exchange Commission, and Schedule II - Reconciliation of**  
**Computation of Net Capital Pursuant to Rule 15c3-1**

**CREDIT:**

Stockholders' equity \$7,441

**DEBITS:**

Nonallowable assets: 0

**NET CAPITAL** \$7,441

Haircuts 0

**ADJUSTED NET CAPITAL** \$7,441

Minimum requirements of 6-2/3% of aggregate indebtedness  
or \$5,000, whichever is greater. 5,000

**EXCESS NET CAPITAL** \$2,441

**AGGREGATE INDEBTEDNESS:**

Accounts payable & accrued expenses \$2,500

**RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL** 34%

Excess net capital previously reported \$2,441

Excess net capital per this report \$2,441

**JFD Securities, Inc.**  
**45 Fairfield Terrace**  
**Short Hills, NJ 07078**

**Schedule III**  
**December 31, 2017**

**Rule 15c3-3 Exemption Report**

This is to certify that, to the best of my knowledge and belief:

JFD Securities, Inc. is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R section 240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. section 240.17a-5(d)(1) and (4). To the best of its knowledge and belief JFD Securities, Inc. states the following:

JFD Securities, Inc. claimed an exemption under provision 17 C.F.R. section 240.15c3-3 (k)(2)(ii) as the company is a non-carrying broker-dealer which promptly transmits all funds and delivers all securities received in connection with its activities as a broker dealer, and does not otherwise hold funds or securities for, or owe money or securities to, customers.

JFD Securities, Inc. met the identified provision throughout the most recent fiscal year without exceptions.

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Scott Rothman  
President

**Leigh J. Kremer, CPA**  
**Certified Public Accountant**  
Member NJCPA, AICPA, PCAOB

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders  
JFD Securities, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) JFD Securities Inc., identified the following provisions of 17 C.F.R. §15c3-3(k) under which JFD Securities, Inc., claimed an exemption from 17 C.F.R. §240.15c3-3: (2)(ii) (exemption provisions) and (2) JFD Securities, Inc., stated that JFD Securities, Inc., met the identified exemption provisions throughout the most recent fiscal year without exception. JFD Securities, 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 JFD Securities, 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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

  
Leigh J Kremer, CPA  
Monmouth Beach, NJ  
February 16, 2018