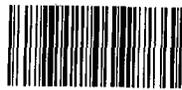


DB



19008143

SEC  
Mail Processing  
Section

MAR 04 2019

Washington DC  
413

ANNUAL REPORT  
FORM X-17A-5  
PART III

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: August 31, 2020  
Estimated average burden  
hours per response... 12.00

SEC FILE NUMBER  
844363

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 01/01/2018 AND ENDING 12/31/2018  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Akin Bay Company LLC

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

780 3rd Ave

(No. and Street)

New York

NY

10017

(City)

(State)

(Zip Code)

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

James Rybakoff

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Bk Accountants CPAs, PLLC

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

45-19 43rd Avenue

SunnySide

NY

11104

(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)

RMS

OATH OR AFFIRMATION

I, James Rybakoff, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Akin Bay Company LLC, as of December 31, 2018 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]*  
Signature  
*[Handwritten Title]*  
Title

*[Handwritten Signature]* 03/09/2019  
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).

SEC  
Mail Processing  
Section

MAR 04 2019

Washington DC  
413

**AKIN BAY COMPANY LLC**

STATEMENT OF FINANCIAL CONDITION  
AND RELATED NOTES  
AT DECEMBER 31, 2018

**AKIN BAY COMPANY LLC  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2018**

---

	<u>Page</u>
<b>Financial Statements</b>	
Statement of Financial Condition	2
Notes to Financial Statements	3 - 7



**BK Accountants CPAs, PLLC**

48-19 43<sup>rd</sup> Avenue  
Sunnyside, NY 11104

[WWW.BKPARTNERSCPAS.COM](http://WWW.BKPARTNERSCPAS.COM)

(718) 392 0240

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Members of  
Akin Bay Company, LLC.

**Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of Akin Bay Company, LLC as of December 31, 2018, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of Akin Bay Company, LLC. as of December 31, 2018, in conformity with accounting principles generally in the United States of America.

**Basis for Opinion**

This financial statement is the responsibility of Akin Bay Company, LLC's management. Our responsibility is to express an opinion on Akin Bay Company, LLC's financial statement based on our audit. We are a public accounting firm registered with Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Akin Bay Company, LLC. 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 statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedure to assess the risks of material misstatement of the financial statement, whether due to error, and performing procedure 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.

*BK Accountants CPAs, PLLC*

We have served as Akin Bay Company, LLC's auditor since 2014  
Sunnyside, NY  
March 1, 2019

**AKIN BAY COMPANY LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2018**

---

**Assets**

Cash and cash equivalents	\$	49,997
Accounts receivable		76,637
Property and equipment, net of accumulated depreciation		347,458
Other assets		5,625
Security deposit		45,732
Prepaid expenses		17,771
<b>Total Assets</b>	<b>\$</b>	<b>543,220</b>

**Liabilities and Members' Equity**

Accounts payable	\$	10,096
Accrued expenses		7,245
Deferred rent		60,779
<b>Total Liabilities</b>		<b>78,120</b>
Members' equity		465,100
<b>Total Liabilities and Members' Equity</b>	<b>\$</b>	<b>543,220</b>

See accompanying notes to Statement of Financial Condition.

**AKIN BAY COMPANY LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

---

**1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Operations

Akin Bay Company LLC (the "Company") was organized as a limited liability company under the laws of the State of New York on June 19, 1996. The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investor Protection Corporation (SIPC). The Company primarily engages in providing investment banking and advisory services to its clients. The Company is exempt from rule 15c3-3 of the SEC under paragraph (k)(2)(i) of that rule.

Basis of Accounting

Revenues and expenses are recorded on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Cash and Cash Equivalents

The Company considers all highly liquid investments, with original maturities of three months or less when purchased to be cash equivalents.

Accounts Receivable

Investment banking income due but not yet received that is expected to be collected within one year is recorded as accounts receivable at net realizable value. In the situation the transaction closes but there are certain contingent milestones, the Company will not record the receivable until all contingencies are met. If amounts become uncollectible, they will be charged to operations when that determination is made.

Property and Equipment

Property and equipment are recorded at cost. Depreciation for property and equipment is provided using the straight-line method for financial reporting purposes at rates based on the following estimated useful lives:

	<u>Years</u>
Leasehold improvements	Lesser of remaining lease term or life of asset
Office equipment	5
Furniture and fixtures	5

**AKIN BAY COMPANY LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

---

**1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

*Deferred Rent*

The Company recognizes rent expense for operating leases on a straight-line basis (including the effect of reduced or free rent and contractually obligated rent escalations) over the lease terms. The difference between cash paid to or received from the landlords and the amount recognized as rent expense on a straight-line basis is included in deferred rent in the statement of financial condition.

As part of the new office lease, which included free rent for the first five months of 2018, The Company paid the landlord \$45,817 for leasehold improvements in June 2018.

*Revenue Recognition*

The Company adopted FASB ASU 606, Revenue from Contracts with Customers, effective January 1, 2018.

The Company provides investment banking and advisory services. Revenue for advisory arrangements is generally recognized at the point in time that performance under the arrangements is completed (the closing date of the transaction).

For certain contracts, revenue is recognized over time for advisory arrangements in which the performance obligations are simultaneously provided by the Company and consumed by the customer. Retainers and other fees received from customers are recognized revenue when the performance obligation for providing advisory services is satisfied over time because the customer is receiving and consuming the benefits as they are provided by the Company.

**RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepted accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASUs").

**AKIN BAY COMPANY LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

---

**1) NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

For the year ending December 31, 2018, various ASUs issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

The Company will adopt FASB ASU 842 commencing January 1, 2019. This standard will require the Company to recognize a "right of use asset" and a corresponding liability based on the present value of the remaining lease payments. Based upon the Company's current lease, these amounts are anticipated to be in the range of \$700,000 to \$800,000.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 could differ from those estimates.

**2) PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment less accumulated depreciation as of December 31, 2018. Depreciation expense for the year then ended was \$59,927.

Leasehold improvements	\$ 279,369
Office equipment	13,730
Furniture and fixtures	<u>127,923</u>
	421,022
Less: accumulated depreciation	<u>73,564</u>
	<u>\$ 347,458</u>

**AKIN BAY COMPANY LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

---

**3) CONCENTRATIONS OF RISK**

The Company maintains its cash balances at a major financial institution. The balances are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. The Company from time to time, has had an amount greater than \$250,000 in cash on deposit.

The Company engages in various investment banking and advisory services. In the event customers do not fulfill their obligations, the Company may be exposed to small amount of risk relating to its out-of-pocket expenses. The risk of default depends on the creditworthiness of the customers. It is the Company’s policy to review, as necessary, the credit standing of each customer.

**4) COMMITMENTS**

The Company leases its office space under the terms of a non-cancelable operating lease expiring on June 29, 2023. The Company also leases an automobile under a non-cancelable operating lease expiring on February 29, 2020.

The Company has a cash deposit of \$45,732 for the office lease.

Future minimum lease payments under the non-cancelable leases are as follows:

Year ending December 31,	<u>Rent</u>	<u>Automobile</u>
2019	\$ 182,336	\$ 14,297
2020	182,336	1,191
2021	182,336	-
2022	182,336	-
Thereafter	<u>91,168</u>	-
Total	<u>\$ 820,512</u>	<u>\$ 15,488</u>

**5) NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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. At December 31, 2018, the Company had negative net capital of \$(28,123) which is \$(33,331) deficient of its required net capital of \$5,208. The Company’s net capital ratio at December 31, 2018 was (277.78) to 1.

On February 25, 2019, a capital contribution of \$ 50,000 was made by the managing partner.

**AKIN BAY COMPANY LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

---

**6) SUBSEQUENT EVENTS**

The Company has evaluated all subsequent events through March 1, 2019 the date which the financial statements were issued.