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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/2021 AND ENDING 12/31/2021
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Monness Crespi Hardt & Co., Inc.

TYPE OF REGISTRANT (check all applicable boxes):

- Broker-dealer Security-based swap dealer Major security-based swap participant
 Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

767 Third Avenue, 16th Floor

(No. and Street)

New York

NY

10017-2047

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Neil Crespi

(212) 838 7575

ncrespi@mchny.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Katz, Sapper & Miller, LLP

(Name – if individual, state last, first, and middle name)

7 Penn Plaza, Suite 1500

New York

NY

10001

(Address)

(City)

(State)

(Zip Code)

11/13/2006

2804

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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RMS

OATH OR AFFIRMATION

I, Neil Crespi, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Monness Crespi Hardt & Co., Inc., as of December 31, 2021, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

JENNIFER TRAINOR

Notary Public, State of New York
No. 01TR5013422 Qualified in Nassau Co.
Commission Expires July 15, 2023

[Handwritten signature of Jennifer Trainor]
Notary Public

Signature:

[Handwritten signature of Neil Crespi]

Title:

President

This filing** contains (check all applicable boxes):

- (a) Statement of financial condition.
(b) Notes to consolidated statement of financial condition.
(c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income...
(d) Statement of cash flows.
(e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
(f) Statement of changes in liabilities subordinated to claims of creditors.
(g) Notes to consolidated financial statements.
(h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
(i) Computation of tangible net worth under 17 CFR 240.18a-2.
(j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
(k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
(l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
(m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
(n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
(o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
(p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
(q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
(r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(t) Independent public accountant's report based on an examination of the statement of financial condition.
(u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
(v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
(y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
(z) Other:

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

MONNESS CRESPI HARDT & CO., INC.
STATEMENT OF FINANCIAL CONDITION
YEAR ENDED DECEMBER 31, 2021
WITH
REPORT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM

Monness Crespi Hardt & Co., Inc.

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December 31, 2021

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
of Monness Crespi Hardt & Co., Inc.

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Monness Crespi Hardt & Co., Inc. as of December 31, 2021, and the related notes (collectively referred to as the financial statement). In our opinion, the financial statement presents fairly, in all material respects, the financial position of Monness Crespi Hardt & Co., Inc. as of December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of Monness Crespi Hardt & Co., Inc.'s management. Our responsibility is to express an opinion on Monness Crespi Hardt & Co., Inc.'s financial statement 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 Monness Crespi Hardt & Co., 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 statement is 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 statement, 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 statement. 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 statement. We believe that our audit provides a reasonable basis for our opinion.

Katz, Sapper & Miller, LLP

We, including the tenure of the predecessor firm, have served as Monness Crespi Hardt & Co., Inc.'s auditor since 2016.

New York, New York
February 24, 2022

Monness Crespi Hardt & Co., Inc.
Statement of Financial Condition
December 31, 2021

Assets

Cash	\$ 1,240,799
Receivables -	
Due from clearing broker (includes \$1,000,000 in restrictions (Note 3))	2,334,905
Other receivables	304,636
Prepaid expenses and other assets	162,170
Property and equipment, net of accumulated depreciation of \$1,341,868	85,942
Right of use asset	<u>1,764,100</u>
Total assets	<u><u>\$ 5,892,552</u></u>

Liabilities and Stockholders' Equity

Liabilities

Commissions payable	\$ 239,608
Accounts payable and accrued expenses	357,420
Lease liability	<u>1,897,032</u>
Total liabilities	<u>2,494,060</u>

Commitments and Contingencies (Note 5)

Stockholders' equity

Common stock, no par value, 200 shares authorized, issued and outstanding	75,000
Retained earnings	<u>3,323,492</u>
Total stockholders' equity	<u>3,398,492</u>
Total liabilities and stockholders' equity	<u><u>\$ 5,892,552</u></u>

Monness Crespi Hardt & Co., Inc.
Notes to Financial Statements
December 31, 2021

Note 1 - Organization and Nature of Business

Monness Crespi Hardt & Co., Inc. (the "Company") is a broker-dealer, dealing principally with institutional investors, as a registered entity with the Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority ("FINRA"), and the Securities Investor Protection Corporation ("SIPC").

The Company executes agency transactions in listed and over-the-counter securities. All customer transactions are cleared on a fully disclosed basis through an independent clearing firm. The Company claims exemption from the requirements of SEC Rule 15c3-3 under paragraph (k)(2)(ii) of Rule 15c3-3 as disclosed in Note 7. The Company does not carry securities accounts for customers nor does it perform custodial functions related to their securities.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of a financial statement in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, if any, at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash, which at times may be in excess of FDIC insurance limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any credit risk.

Property and Equipment

Property and equipment are depreciated using straight-line and accelerated methods over the useful lives of the respective assets. The Company's capitalization policy provides that expenditures for maintenance, repairs and minor renewals are charged to operations. Upon retirement or other disposition of property, the carrying value and related accumulated depreciation are removed from the accounts and any differences recognized as gain or loss on disposition or retirement.

Soft Dollar Arrangements

The Company ensures that any soft dollar arrangements with customers fall within the safe harbor provision of Rule 28e of the Securities Exchange Act of 1934 as amended, by segregating funds and providing for the payment of research, brokerage, quote services and other expenses permissible by Rule 28e. For the year ended December 31, 2021, the Company had several such customer arrangements.

Income Taxes

The Company, with the consent of its stockholders, has elected to be treated as a subchapter "S" corporation for federal and New York State corporate income tax purposes. Accordingly, no federal or New York State income taxes are paid on income. Effective for 2021, New York State permits an S Corporation to elect to pay income taxes on behalf of their shareholders. For the year ended December 31, 2021, the Company has made such an election. The Company is responsible for New York City corporation income taxes. Interest or penalties assessed by taxing authorities, if any, are segregated and reported separately from the provision for income taxes.

Monness Crespi Hardt & Co., Inc.
Notes to Financial Statements
December 31, 2021

Note 2 - Summary of Significant Accounting Policies (continued)

The Financial Accounting Standards Board ("FASB") has issued guidance regarding how uncertain tax positions should be recognized, measured, presented and disclosed in the financial statements. The guidance requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are more-likely-than-not of being sustained upon examination by the applicable tax authority, based on the technical merits of the tax position, and then recognizing the tax benefit that is more-likely-than-not to be realized. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax expense in the current reporting period. Management has analyzed the tax positions taken by the Company, and has concluded that as of December 31, 2021, no uncertain positions are taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

The Company is required to pay a state tax based on gross receipts and to pay New York City general corporation taxes based on income, or alternatively, on income plus officers' salaries.

Note 3 - Due From Clearing Broker

The Company clears all security transactions through Goldman Sachs & Company ("GSC"), formerly Goldman Sachs Execution and Clearing LP. Under the clearing arrangement, GSC confirms securities trades, processes securities movements and records transactions for each customer introduced by the Company. GSC has custody of the Company's securities and cash balances, which serve as collateral for any amounts due to the clearing broker and as collateral for potential defaults by the Company's customers. The Company is also subject to credit risk if the clearing broker is unable to repay balances due or deliver securities in their custody (see Note 5).

Based on historical performance of no write-offs, the Company has not established an allowance for bad debts.

Under the terms of its agreement with GSC, the Company must, at all times, maintain a balance of \$100,000 in cash, securities (at market value) or a combination of both, with GSC to ensure that it meets its minimum net capital requirement. The agreement with GSC further requires the Company to maintain an additional \$900,000 in cash, securities, or a combination of both in its accounts with GSC; as of December 31, 2021 it was all in cash.

Note 4 - Property and Equipment

Property and equipment, at cost, consists of the following at December 31, 2021:

	<u>Estimated Useful Life</u>	
Machinery and equipment	5-7 years	\$ 957,193
Leasehold improvements	3 years	<u>470,617</u>
		1,427,810
Less: accumulated depreciation		<u>1,341,868</u>
		<u><u>\$ 85,942</u></u>

Monness Crespi Hardt & Co., Inc.
Notes to Financial Statements
December 31, 2021

Note 5 - Commitments and Contingencies

Leases

The Company leases various office and storage spaces at the same location under long-term non-cancellable leases, all of which expire March 31, 2023. Future obligations relating to the primary terms of the Company's long-term operating leases are as follows:

<u>Years Ending December 31,</u>	
2022	\$ 1,583,994
2023	<u>396,289</u>
	<u>\$ 1,980,283</u>

On January 1, 2019, the Company adopted ASU 2016-02, and recognized a right of use asset of \$5,422,655, which represented the present value of contracted future lease payments, net of its then existing deferred rent liability, discounted over the term of the leases using a 6-1/2% interest rate. The Company has no debt and the interest rate used represented the prime interest rate at that date plus 1%. At the same time, the Company recognized an offsetting lease liability of \$5,788,100. The remaining right of use asset and lease liability amounts at December 31, 2021 were \$1,764,100 and \$1,897,032, respectively.

Periodic rent expense reflects actual rents paid adjusted for a write down of both the corresponding right of use asset and its respective liability, resulting in the straight-lining of the base rent expense over the lease period.

Legal Matters and Litigation

In the normal course of business, the Company is subject to litigation relating to its business activities as a broker-dealer, including civil actions and arbitration. The Company may, from time to time, be involved in proceedings and investigations by self-regulatory organizations and the SEC. As of December 31, 2021, the Company is not a party to any litigation or the subject of any regulatory investigation.

Deferred Compensation and Phantom Stock

Pursuant to the sale of his equity interest in the Company at December 31, 2015, a former shareholder was granted stock appreciation rights that would essentially entitle him or his beneficiary to a 5% interest on any gain on the sale of the Company, if it occurred within five years of his separation from service without cause. The former shareholder retired as of December 31, 2019, which began his separation from service. As of December 31, 2021 there was no liability recognized.

Financial Instruments With Off-Balance-Sheet Risk

The Company executes, as principal and agent, securities transactions on behalf of its customers. If either the customer or counter-party fails to perform, the Company may be required to discharge the obligations of the non-performing party. In such circumstances, the Company may sustain a loss if the market value of the security is different from the contract value of the transaction. The Company also engages in trading and brokerage activities with customers, other broker dealers and counter-parties ("trading partners"). The Company is exposed to the risk of any of its trading partners failing to fulfill their obligations. The risk of default depends on the creditworthiness of the trading partner. It is the Company's policy to review, as necessary, the credit standing of each of its trading partners.

Monness Crespi Hardt & Co., Inc.
Notes to Financial Statements
December 31, 2021

Note 6 - 401(k) Plan

The Company is the sponsor of a 401(k) retirement plan which allows eligible employees to allocate the maximum allowed by law of their pre-tax earnings to the plan. The Company made no contributions to the plan for the year ended December 31, 2021.

Note 7 - Net Capital Requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum regulatory net capital and requires that the ratio of aggregate indebtedness to regulatory net capital, both as defined, shall not exceed 15 to 1. At December 31, 2021, the Company had regulatory net capital of \$2,845,744 which exceeded its regulatory net capital of the greater of \$100,000 or 6-2/3% of aggregate indebtedness by \$2,745,744. The ratio of aggregate indebtedness to net capital was 0.26 to 1.

Note 8 - Risks and Uncertainties

The ongoing COVID-19 global health crisis continues to have major impacts on businesses, governments and consumer activities. Currently, the Company has not been significantly adversely impacted by the pandemic and did not experience a material reduction in its revenues in 2021. However, there could be a larger significant adverse impact on the Company's performance as it remains impossible to predict the effect that COVID-19 will have on the longer-term global industrial output and resultant potential changes in demand. The ultimate extent of the COVID-19 impact on the Company's operations is dependent upon the duration of the crisis and future developments, which remain uncertain at this time.

Note 9 - Subsequent Events

The Company has evaluated its subsequent events through February 24, 2022, the date that the accompanying financial statement was available to be issued. There were no subsequent events requiring recognition or disclosure in the financial statement.