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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**ANNUAL REPORTS  
FORM X-17A-5  
PART III**

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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 Jan 1, 2021 AND ENDING Dec 31, 2021  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF FIRM: Wachtel & 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.)

1701 K Street, NW # 615

(No. and Street)

Washington,

DC

20006

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Wendie L. Wachtel, COO

202-898-1144

wendie@wachtelco.com

(Name)

(Area Code - Telephone Number)

(Email Address)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

UHY LLP

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

955 Mt. Hermon Road

Salisbury

MD

21804

(Address)

(City)

(State)

(Zip Code)

7/1/2004

1195

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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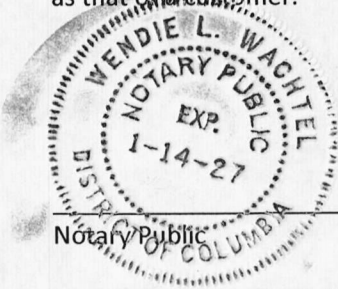
\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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OATH OR AFFIRMATION

I, Bonnie K. Wachtel, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Wachtel & Co Inc, as of Dec 31, 2 021, 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.



Wendie L. Wachtel

Signature: [Handwritten Signature]

Title: Bonnie K. Wachtel, C E O

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 (as defined in § 210.1-02 of Regulation S-X).
- (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.

**Wachtel & Co., Inc.**  
**Financial Statements and**  
**Independent Auditors' Report**  
**Year Ended December 31, 2021**

Wachtel & Co., Inc.  
 Financial Statements  
 Year Ended December 31, 2021

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders  
Wachtel & Co., Inc.

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Wachtel & Co., Inc. as of December 31, 2021, and the related statements of income (loss), changes in stockholders' equity, changes in subordinated liabilities, and cash flows for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of Wachtel & Co., Inc. as of December 31, 2021, 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.

**Basis for Opinion**

These financial statements are the responsibility of Wachtel & Co., Inc.'s management. Our responsibility is to express an opinion on Wachtel & Co., 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 Wachtel & Co., Inc. in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

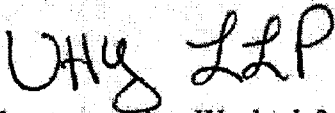
We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures 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.

## **Auditor's Report on Supplemental Information**

The supplemental information listed below has been subjected to audit procedures performed in conjunction with the audit of Wachtel & Co., Inc.'s financial statements.

- Computation of Net Capital Pursuant to SEC Rule 15c3-1
- Computation of Cash Reserve Requirement Pursuant to SEC Rule 15c3-3
- Information for Possession or Control Requirements under SEC Rule 15c3-3
- Reconciliation of the Computation of Net Capital under SEC Rule 15c3-1 and the Computation of Reserve Requirements under SEC Rule 15c3-3

The supplemental information is the responsibility of Wachtel & Co., 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 supplemental information referred to above is fairly stated, in all material respects, in relation to the financial statements as a whole.



We have served as Wachtel & Co., Inc.'s auditor since 2021.

Salisbury, Maryland  
February 21, 2022

Wachtel & Co., Inc.  
Statement of Financial Condition  
December 31, 2021

Assets

Cash and equivalents .....	\$ 810,032
Cash and securities segregated under SEC regulations .....	87,645
Securities owned - investment account .....	740,400
Securities owned - trading account .....	1,011,935
Clearing deposits .....	431,781
Lease – Right of Use .....	66,736
Prepaid expenses .....	1,030
Net fixed assets and security deposit .....	<u>4,491</u>

**Total Assets**..... \$ 3,154,050

Liabilities

Accounts payable and accrued expenses .....	\$ 24,750
Lease Liability .....	69,517
Income Taxes payable .....	0
Payable to stockholders .....	0
Deferred tax liability .....	<u>212,209</u>

**Total Liabilities** ..... \$ 306,476

Stockholders' Equity

Capital stock, \$1 par; 100,000 authorized, 56,192 shares outstanding .....	56,192
Additional paid in capital .....	969,312
Retained earnings .....	<u>1,822,070</u>

**Total Stockholders' Equity** ..... 2,847,574

**Total Liabilities and Stockholders' Equity** ..... \$ 3,154,050

See Notes to Financial Statements

Wachtel & Co., Inc.  
Statement of Income (Loss)  
Year Ended December 31, 2021

<b>Revenues</b>		
Net Trading Account Gain (Loss) .....	\$	54,006
Investment Account Unrealized Gain (Loss) .....		120,600
Interest .....		44,986
Mutual Funds .....		16,654
Consulting Fees .....		<u>409,500</u>
Total Revenues.....		<u>645,746</u>
 <b>Expenses</b>		
Accounting and professional services.....		12,501
Clearing charges.....		14,796
Communications and Technology .....		7,208
Consulting fees.....		335,000
Dues and licenses.....		1,186
Health benefits.....		21,999
Insurance.....		1,573
Office expense.....		10,698
Officers' salaries.....		60,000
Regulatory fees.....		4,628
Rental Lease Expense .....		37,159
Taxes, Payroll - DUCB - FUTA.....		5,539
Travel and transportation.....		<u>993</u>
Total Expenses.....		<u>513,280</u>
 Income before taxes.....		 132,466
Provision for income tax expense .....		<u>(40,444)</u>
 <b>Net Income</b> .....	 \$	 <u>92,022</u>

See Notes to Financial Statements

Wachtel & Co., Inc.  
Statement of Changes in Stockholders' Equity  
Year Ended December 31, 2021

	<u>Capital</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholders' Equity</u>
Balances at December 31, 2020	\$ 56,192	\$ 969,312	\$ 3,230,048	\$ 4,255,552
Net Income	-	-	92,022	92,022
Dividends (Paid)	<u>-</u>	<u>-</u>	<u>( 1,500,000)</u>	<u>( 1,500,000)</u>
Balances at December 31, 2021	\$ 56,192	\$ 969,312	\$ 1,822,070	\$ 2,847,574

See Notes to Financial Statements

Wachtel & Co., Inc.

Statement of Changes in Subordinated Liabilities

Year Ended December 31, 2021

Subordinated Borrowings as of January 1, 2021 .....	\$	0
Change in Subordinated Borrowings .....		<u>0</u>
Subordinated Borrowings as of December 31, 2021	\$	<u><u>0</u></u>

See Notes to Financial Statements

Wachtel & Co., Inc.  
Statement of Cash Flows  
Year Ended December 31, 2021

**Cash Flows from Operating Activities**

Interest received .....	\$ 44,986
Fees and Mutual Fund revenues received .....	426,154
Net cash flow to purchase and sell securities .....	2,184,436
Cash paid to suppliers and employees .....	(471,726)
Clearing Deposits (paid) received .....	(250,001)
Lease Payments .....	(37,221)
Taxes paid .....	<u>( 4,265)</u>
Net cash from operating Activities .....	<u>1,892,363</u>

**Cash Flows from Investing Activities**

Proceeds from sale of Investment Securities .....	<u>0</u>
Net Cash from Investing Activities .....	<u>0</u>

**Cash Flows from Financing Activities**

Dividends Paid .....	<u>(1,500,000)</u>
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Net increase in Cash and Cash Equivalents ..... \$ 392,363

Cash and Cash Equivalents at beginning of year ..... 505,314

Cash and Cash Equivalents at end of year ..... 897,677

**Reconciliation of net income to net cash provided (used) by operations**

Net Income .....	\$ 92,022
Decrease (Increase) in prepaid expenses.....	( 5)
Decrease (Increase) in deposits .....	(250,001)
Decrease (Increase) in investment account value .....	( 120,600)
Decrease (Increase) in trading account .....	2,130,430
Decrease (Increase) in lease asset .....	34,777
Increase (Decrease) in accts payable and accrued expenses...	4,400
Increase (Decrease) in deferred taxes.....	36,179
Increase (Decrease) in Lease Liability .....	<u>( 34,839)</u>
Total Adjustments .....	<u>1,800,341</u>
Net cash from Operating Activities .....	\$ <u>1,892,363</u>

See Notes to Financial Statements

Wachtel & Co., Inc.  
Notes to Financial Statements

**Note 1 – Organization and Nature of Business**

Wachtel & Co Inc, a District of Columbia Corporation, is a securities broker-dealer registered with the Securities and Exchange Commission (SEC), and is a member of the Financial Industry Regulatory Authority (FINRA) and the Depository Trust Company. During 2017, all customer funds and securities were transferred to other advisors and/or custodians. Since 2017, the Corporation has not held any customer funds or securities.

The Corporation does not engage in commodities, options, or foreign exchange transactions.

**Note 2 – Summary of Significant Accounting Policies**

The accounts are maintained and the financial statements prepared, on the accrual basis of accounting, except for dividends which are recorded as income at the time of receipt.

During 2021, consulting fees of \$409,500 were charged for work related to DTC securities eligibility. Revenue is recognized upon filing of an Eligibility Application. Fees are negotiable and payment due at the time of service. There were no contractual assets or liabilities related to consulting fees as of December 31, 2021.

Securities transactions are recorded on a trade date basis.

The Investment Account is comprised of securities purchased and held without the intent of short term resale. The Trading Account is comprised of securities purchased primarily for the purpose of selling in the near term. Securities are valued at market value and those not readily marketable are valued at fair market value as determined by the Board of Directors. The resulting difference between cost and market (or fair value) is included in income. Realized gain on the Investment Account is determined using first in first out cost. During 2021, there were no realized gains on Investment Account securities. Unrealized gain on Investment Account securities totaled \$120,600 for the year ended December 31, 2021. Gains on Trading Account securities totaled \$ 54,006.

Fixed assets are recorded at cost. Depreciation is provided for using the straight-line method over estimated useful lives ranging from three to five years. There was no depreciation expense for the year ended December 31, 2021. Expenditures for maintenance, repairs, and minor renewals are charged to expense as incurred.

Certain transactions may be subject to accounting methods for Federal income tax purposes that differ significantly from the accounting methods used in preparing the financial statements in accordance with generally accepted accounting principles. Accordingly, the taxable income of the Corporation reported for Federal income tax purposes may differ from net income in these financial statements.

Wachtel & Co., Inc.

Notes to Financial Statements

Income taxes are provided at appropriate rates on amounts as determined in the statement of income. No current provision for taxes is reported to the extent it applies to an increase in the market value of the Investment Account.

The Corporation follows ASC 740 which prescribes when to recognize and how to measure the financial statement effects, if any, of income tax positions taken or expected to be taken on its income tax returns. These rules require management to evaluate the likelihood that, upon examination by relevant taxing jurisdictions, those income tax positions would be sustained.

Based on that evaluation, if it was more than 50% probable that a material amount of income tax would be imposed at the entity level upon examination by the relevant taxing authorities, a liability would be recognized in the accompanying balance sheet along with any interest and penalties that would result from that assessment. Should any such penalties and interest be incurred, the Corporation's policy would be to recognize them as operating expenses.

Based on the results of managements' evaluation, there are no such tax positions as of December 31, 2021. Further, no interest or penalties have been accrued or charged to expense as of December 31, 2021.

All highly liquid investments with original maturity of three months or less at date of purchase are considered to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value due to their short-term nature.

The statement of cash flows includes funds segregated under Rule 15c3-3 of the Securities and Exchange Commission (Note 3) as cash and cash equivalents.

Included in clearing deposits, as of December 31, 2021, are 5.483 shares of The Depository Trust & Clearing Corp common stock (DTC). The Corporation is required to own a minimum number of shares in order to maintain membership status. The stock is considered an equity issue and is neither redeemable nor actively marketable. DTC stock is carried at cost, \$160,781 as of December 31, 2021.

The presentation 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 disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. The results could differ from those estimates.

Wachtel & Co., Inc.  
Notes to Financial Statements

**Note 3 – Cash and Securities Segregated Under SEC Regulations**

Funds segregated in Special Reserve accounts for the Benefit of Customers under Rule 15c3-3 of the Securities and Exchange Commission are invested in a money market account at United Bank earning interest of 0.20% with a balance of \$77,634, and a money market account at Truist Bank earning interest at 0.01% with a balance of \$10,010 as of December 31, 2021. As there is no present deposit requirement, these reserve accounts remain open at the discretion of management.

**Note 4 – Fair Value Measurements**

The Corporation measures on a recurring basis its investments at fair value in accordance with FASB codification “Fair Value Measurements and Disclosures”, which provides the framework for measuring fair value. That hierarchy prioritizes the inputs used in determining valuations into three levels. The levels of fair value hierarchy are as follows:

Level 1: Securities traded on an active market. When available, the Corporation measures fair value using level 1 inputs because they generally provide the most reliable evidence of fair value. Mutual funds are included here.

Level 2: Securities not traded on an active market but observable market inputs are readily available.

Level 3: Securities not traded on an active market and observable inputs are not readily available.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used through December 31, 2021.

Equity securities: Value based on quoted market prices at year end.

Money Market Funds: Value based on net asset value (NAV) at year end.

Mutual funds: Value based on net asset value (NAV) at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Corporation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

There are no assets or liabilities that require measurement of fair value on a non-recurring basis.

Wachtel & Co., Inc.

Notes to Financial Statements

The following table sets forth by level, within the fair value hierarchy, the Corporation's assets at fair value as of December 31, 2021.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Equity Securities	\$ 740,400	\$ 0	\$ 0	\$ 740,400
Money Market Funds	1,011,935	0	0	1,011,935
Mutual Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Assets at fair value	<u>\$ 1,752,335</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,752,335</u>

**Note 5 – Net Fixed Assets**

Net fixed assets consist of the following:

Furniture and Equipment .....	\$ 5,208
Automobiles .....	<u>15,887</u>
	21,095
Less: Accumulated Depreciation ..	<u>( 19,506)</u>
Net Fixed Assets .....	<u>\$ 1,589</u>

**Note 6 – Transactions with Officers and Stockholders**

Any amounts receivable or payable to officers or stockholders would represent transactions arising in the normal course of business and be non interest bearing. There are none.

**Note 7 – Pension Plan**

The Corporation has a discretionary simplified employee pension plan for eligible employees. The total pension expense for the year ended December 31, 2021 was \$0.

**Note 8 – Concentration of Credit Risk**

At times the combined cash account balances in any one bank are in excess of the \$250,000 amount insured by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2021 that excess amount was \$310,033. The Corporation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Wachtel & Co., Inc.  
Notes to Financial Statements

**Note 9 – Income Taxes**

The provision for federal and state income taxes consists of the following:

Current income taxes		
Federal.....	\$	2,633
Local.....		<u>1,632</u>
Total current provision.....		4,265
Deferred income taxes.....		<u>36,179</u>
Total provision for taxes.....	\$	<u>40,444</u>

The Corporation determines its deferred tax position under the asset/liability method whereby deferred tax assets and liabilities are recognized based on differences between financial statement and tax basis assets and liabilities using presently enacted tax rates.

Deferred income taxes are applicable to the unrecognized gain on the Investment Account inventory. The Federal and District of Columbia tax returns of the Corporation are subject to examination by the taxing authorities generally for three years after the date filed.

**Note 10 – Net Capital Requirements**

The Corporation is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. As of December 31, 2021, the ratio of aggregate indebtedness to net capital was .10 to 1, and net capital of \$2,386,029 exceeded capital requirements of \$250,000 by \$2,136,029.

**Note 11 – Lease**

The Corporation leases a single location for its office. The lease was signed in July 2018 for five years and four months expiring in October 2023. The Corporation has a one-time option to extend the lease for an additional five year period provided the option is exercised at least nine months prior to the expiration of the current lease term. The initial base rent for the extension option will be 100% of the then current market rate. Management does not believe the extension is reasonably certain.

In accordance with ASU 2016-12, Leases (Topic 842), the Corporation recognized a right of use asset and a corresponding lease liability of \$168,330 on January 1, 2019.

Wachtel & Co., Inc.  
Notes to Financial Statements

Supplemental lease information at or for the year ended December 31, 2021:

Balance Sheet

Right-of-use asset	\$ 66,736
Lease liability	\$ 69,517

Income Statement

Operating lease expense	\$ 37,159
Remaining lease term, in months	22
Discount rate	% 2.75
Operating cash flows	37,221

The discount rate is based on the Corporation's incremental borrowing rate as determined by management.

A maturity analysis of the Corporation's lease liabilities at December 31, 2021 was as follows:

2022	\$ 38,299
2023	<u>\$ 32,705</u>
Total lease payments	\$ 71,004
Less Interest	<u>\$ 1,487</u>
Present Value of Lease	\$ 69,517

**Note 12 – Commitments, Contingencies and Guarantees –**

On December 31, 2021, Bonnie Wachtel and Wendie Wachtel signed a Stock Purchase Agreement to sell all of their shares (100%) of Wachtel & Co., Inc., to an unrelated third party. The agreement is contingent upon several events including approval by FINRA. Neither the timing nor the likelihood of completion can be estimated at this time.

**Note 13 – Subsequent Events – None**

Management has evaluated events through February 21, 2022, the date on which the financial statements were available to be issued.

Wachtel & Co., Inc.

Computation of Net Capital Pursuant to SEC Rule 15c3-1

December 31, 2021

Total Assets	.....\$	3,154,050
Total Liabilities	.....	306,476
Net Worth	.....	2,847,574
Non-Allowable Assets	.....	166,302
Other Deductions	.....	90,000
Allowable Assets	.....	2,987,748
Net Capital before Haircuts	.....	2,591,272
Haircuts	.....	205,243
Adjusted Net Capital	.....	2,386,029
Liabilities Not Included in Aggregate Indebtedness...		66,736
Aggregate Indebtedness	.....	239,740
Calculated Required Capital	.....	15,983
Minimum Required Capital	.....	250,000
Excess Capital	..... \$	2,136,029
Ratio (AI / Net Capital)	.....	0.10

See Auditor's Report on Supplemental Information

Wachtel & Co., Inc.

Computation of Cash Reserve Requirement Pursuant to SEC Rule 15c3-3

December 31, 2021

Customer Credit Balances .....	\$	0
Customers' Securities F/R .....		0
Total Credits .....		0
Customer Debit Balances (-1%) .....		0
Customers' Securities F/D.....		0
Total Debits.....		0
Excess of Credits Over Debits.....		0
Amount in Reserve a/c (12/31/21).....		87,645
January Deposit or (Withdrawal).....		0
New Balance in Account.....		87,645
Excess Deposit Over Requirement.....	\$	87,645

See Auditor's Report on Supplemental Information

Wachtel & Co., Inc.

Information for Possession or Control Requirements under SEC Rule 15c3-3

December 31, 2021

Market Valuation and Number of Items of:

1. Customers' fully paid securities not in Wachtel & Co., Inc.'s possession or control as of December 31, 2021 (for which instructions to reduce possession or control had been issued) but for which the required action was not taken within the time frame specified under rule 15c3-3. (Notes A and B below.)

Number of Items – None      Value – None

2. Customers' fully paid securities for which instructions to reduce to possession or control had not been issued as of December 31, 2021, excluding items arising from "temporary lags which result from normal business operations" as permitted under rule 15c3-3. (Notes B and C below.)

Number of Items – None      Value – None

Notes

- A. There were no customers' fully paid securities required to be in possession or control as of the report date.
- B. Since there were no items reported above, they were not subsequently reduced to possession or control.
- C. There are no items arising from "temporary lags which result from normal business operations".

See Auditor's Report on Supplemental Information

Wachtel & Co., Inc.

Reconciliation of the Computation of Net Capital Under Rule 15c3-1, and the Computation for  
Determination of Reserve Requirements Under Rule 15c3-3

December 31, 2021

**Net Capital:**

Net capital per December 31, 2021 FOCUS report (unaudited)	\$ <u>2,386,029</u>
Net capital per audited financial statements	<u>2,386,029</u>
Differences	-

There were no reconciling items between the net capital computation as reported on the December 31, 2021 FOCUS report (unaudited) and the audited financial statements.

**Reserve Requirements:**

Reserve requirements per December 31, 2021 FOCUS report (unaudited)	\$ Zero
Reserve requirements per audited financial statements	<u>Zero</u>
Differences	None

There were no reconciling items between the reserve requirements computation as reported on the December 31, 2021 FOCUS report (unaudited) and the audited financial statements.

See Auditor's Report on Supplemental Information



**Wachtel & Co Inc §§ 240.17a-5(d)(1)(i)(B)(2) Exemption Report**

**Exemption Report for SEC Rule 15c3-3**

**For the Year Ending December 31, 2021**

For the year ending December 31, 2021, Wachtel & Co Inc, claimed exemption from the governance of SEC Rule 15c3-3 as outlined under paragraph (k) (2) (i).

SEC Rule 15c3-3 paragraph (k) (2) (i) states:

The provisions of this rule shall not be applicable to a broker or dealer: (i) Who carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and its customers through one or more bank accounts, each to be designated as "Special Account for the Exclusive Benefit of Customers of (name of the broker or dealer)."

At no time during the year ending December 31, 2021, did Wachtel & Co Inc, hold funds or securities for, or owe money or securities to, customers. Wachtel & Co Inc qualified at all times during the year ending December 31, 2021, without exception, under the provisions of SEC Rule 15c3-3 paragraph (k) (2) (i).

Respectfully submitted,

January 10, 2022

Bonnie K. Wachtel, CEO

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**  
**ON EXEMPTION FOR RULE 15c3-3**

To the Board of Directors and Stockholders  
Wachtel & Co., Inc.  
Washington, D.C.

We have reviewed management's statements, included in the accompanying Exemption Report for SEC Rule 15c3-3, in which (1) Wachtel & Co., Inc. identified the following provision of 17 C.F.R. §15c3-3(k) under which Wachtel & Co., Inc. claimed the following exemption from 17 C.F.R. §240.15c3-3: (k)(2)(i) (exemption provision) and (2) Wachtel & Co., Inc. stated that Wachtel & Co., Inc. qualified at all times during the year ending December 31, 2021, without exception. Wachtel & Co., 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 Wachtel & Company, 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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*UHY LLP*

Salisbury, Maryland  
February 21, 2022