

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

FORM  
X-17A-5

FOCUS REPORT  
(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)  
PART IIA 12

(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a)  16      2) Rule 17a-5(b)  17      3) Rule 17a-11  18  
4) Special request by designated examining authority  19      5) Other  26

NAME OF BROKER-DEALER

SEC. FILE NO.

CARTY & COMPANY, INC. 13

8-19082 14

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

FIRM ID NO.

6263 POPLAR AVENUE, SUITE 800 20

7001 15

(No. and Street)

FOR PERIOD BEGINNING (MM/DD/YY)

MEMPHIS 21      TN 22      38119 23

10/01/16 24

(City)

(State)

(Zip Code)

AND ENDING (MM/DD/YY)

12/31/16 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

JOHN C. DALLOSTA, JR. 30

(901) 767-8940 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

32

33

34

35

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39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Manual Signatures of:

1) \_\_\_\_\_  
Principal Executive Officer or Managing Partner

2) \_\_\_\_\_  
Principal Financial Officer or Partner

3) \_\_\_\_\_  
Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78.f (a) )

FINRA

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

BROKER OR DEALER CARTY & COMPANY, INC.	N	3									100

**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND  
CERTAIN OTHER BROKERS OR DEALERS**

as of (MM/DD/YY) 12/31/16 99

SEC FILE NO. 8-19082 98

Consolidated  198

Unconsolidated  199

ASSETS

Allowable

Non-Allowable

Total

1. Cash	\$	750,536	200		\$	750,536	750
2. Receivables from brokers or dealers:							
A. Clearance account		2,580,347	295				
B. Other			300	\$	550	2,580,347	810
3. Receivables from non-customers			355		600		830
4. Securities and spot commodities owned, at market value:							
A. Exempted securities		7,727,543	418				
B. Debt securities		486,772	419				
C. Options			420				
D. Other securities		195	424				
E. Spot commodities			430			8,214,510	850
5. Securities and/or other investments not readily marketable:							
A. At cost	\$		130				
B. At estimated fair value			440		610		860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			460		630		880
A. Exempted securities	\$		150				
B. Other securities	\$		160				
7. Secured demand notes:			470		640		890
Market value of collateral:							
A. Exempted securities	\$		170				
B. Other securities	\$		180				
8. Memberships in exchanges:							
A. Owned, at market	\$		190				
B. Owned, at cost					650		
C. Contributed for use of the company, at market value					660		900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships			480		670		910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization.			490		50,239	50,239	920
11. Other assets		102,245	535		730,136	832,381	930
12. Total Assets	\$	11,647,638	540	\$	780,375	12,428,013	940

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**  
CARTY & COMPANY, INC.

as of 12/31/16

**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING,  
NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS  
LIABILITIES AND OWNERSHIP EQUITY**

<u>Liabilities</u>	<u>A.I. Liabilities</u>	<u>Non-A.I. Liabilities</u>	<u>Total</u>
13. Bank loans payable .....	\$ 1045	\$ 1255	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115	1305	1540
15. Payable to non-customers .....	1155	1355	1610
16. Securities sold not yet purchased, at market value .....		1360	1620
17. Accounts payable, accrued liabilities, expenses and other .....	1,263,063 1205	6,937 1385	1,270,000 1685
18. Notes and mortgages payable:			
A. Unsecured .....	1210		1690
B. Secured .....	1211	1390	1700
19. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders \$ .....	970		1710
2. Includes equity subordination (15c3-1(d)) of .....	980		
B. Securities borrowings, at market value from outsiders \$ .....		1410	1720
C. Pursuant to secured demand note collateral agreements .....		1420	1730
1. from outsiders \$ .....	1000		
2. includes equity subordination (15c3-1(d)) of .....	1010		
D. Exchange memberships contributed for use of company, at market value .....		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes .....	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 1,263,063 1230	\$ 6,937 1450	\$ 1,270,000 1760

Ownership Equity

21. Sole proprietorship .....		\$ 1770
22. Partnership (limited partners) .....	\$ 1020	1780
23. Corporation:		
A. Preferred stock .....		1791
B. Common stock .....		2,208,790 1792
C. Additional paid-in capital .....		1793
D. Retained earnings .....		9,030,241 1794
E. Total .....		11,239,031 1795
F. Less capital stock in treasury .....		( 81,018) 1796
24. TOTAL OWNERSHIP EQUITY .....		\$ 11,158,013 1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....		\$ 12,428,013 1810

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA

BROKER OR DEALER  
CARTY & COMPANY, INC.

as of

12/31/16

COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition	\$	11,158,013	3480
2. Deduct ownership equity not allowable for Net Capital			(3490)
3. Total ownership equity qualified for Net Capital		11,158,013	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital			3520
B. Other (deductions) or allowable credits (List)			3525
5. Total capital and allowable subordinated liabilities	\$	11,158,013	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	780,375	3540
B. Secured demand note deficiency			3590
C. Commodity futures contracts and spot commodities-proprietary capital charges			3600
D. Other deductions and/or charges			3610
		( 780,375)	3620
7. Other additions and/or allowable credits (List)			3630
8. Net Capital before haircuts on securities positions	\$	10,377,638	3640
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$		3660
B. Subordinated securities borrowings			3670
C. Trading and investment securities:			
1. Exempted securities		528,124	3735
2. Debt securities		30,273	3733
3. Options			3730
4. Other securities		30	3734
D. Undue concentration			3650
E. Other (List)			3736
		( 558,427)	3740
10. Net Capital	\$	9,819,211	3750

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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**

CARTY & COMPANY, INC.

as of

12/31/16

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT**

**Part A**

11. Minimum net capital required (6-2/3% of line 19)	\$	84,204	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	250,000	3758
13. Net capital requirement (greater of line 11 or 12)	\$	250,000	3760
14. Excess net capital (line 10 less 13)	\$	9,569,211	3770
15. Net capital less greater of 10% of line 19 or 120% of line 12	\$	9,519,211	3780

**COMPUTATION OF AGGREGATE INDEBTEDNESS**

16. Total A.I. liabilities from Statement of Financial Condition	\$	1,263,063	3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (List)	\$	3820	3830
19. Total aggregate indebtedness	\$	1,263,063	3840
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	%	12.86	3850
21. Percentage of debt to debt-equity total computed in accordance with Rule 15c-3-1(d)	%	0.00	3860

**COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT**

**Part B**

22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$	3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	3880
24. Net capital requirement (greater of line 22 or 23)	\$	3760
25. Excess net capital (line 10 less 24)	\$	3910
26. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	3920

**NOTES:**

(A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:

1. Minimum dollar net capital requirement, or
2. 6-2/3% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.

(B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of the memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.

(C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**

CARTY & COMPANY, INC.

For the period (MMDDYY) from 10/01/16 3932 to 12/31/16 3933  
Number of months included in this statement 3 3931

**REVENUE**

**STATEMENT OF INCOME (LOSS)**

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange	\$	150	3935
b. Commissions on listed option transactions		5,479	3938
c. All other securities commissions		14,483	3939
d. Total securities commissions		20,112	3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange			3945
b. From all other trading		2,131,400	3949
c. Total gain (loss)		2,131,400	3950
3. Gains or losses on firm securities investment accounts			3952
4. Profits (losses) from underwriting and selling groups		1,221	3955
5. Revenue from sale of investment company shares		24,321	3970
6. Commodities revenue			3990
7. Fees for account supervision, investment advisory and administrative services			3975
8. Other revenue		53,421	3995
9. Total revenue		\$ 2,230,475	4030

**EXPENSES**

10. Salaries and other employment costs for general partners and voting stockholder officers		178,212	4120
11. Other employee compensation and benefits		342,726	4115
12. Commissions paid to other brokers-dealers		55,516	4140
13. Interest expense		663	4075
a. Includes interest on accounts subject to subordination agreements			4070
14. Regulatory fees and expenses		58,943	4195
15. Other expenses		1,455,399	4100
16. Total expenses		\$ 2,091,459	4200

**NET INCOME**

17. Net Income (loss) before Federal income taxes and items below (Item 9 less Item 16)		\$ 139,016	4210
18. Provision for Federal income taxes (for parent only)		71,666	4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above		0	4222
a. After Federal income taxes of			4238
20. Extraordinary gains (losses)			0 4224
a. After Federal income taxes of			4239
21. Cumulative effect of changes in accounting principles			0 4225
22. Net income (loss) after Federal income taxes and extraordinary items		\$ 67,350	4230

**MONTHLY INCOME**

23. Income (current month only) before provision for Federal Income taxes and extraordinary items		85,242	4211
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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA

BROKER OR DEALER CARTY & COMPANY, INC.
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For the period (MMDDYY) from 10/01/16 to 12/31/16

STATEMENT OF CHANGES IN OWNERSHIP EQUITY  
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period	\$	11,090,663	4240
A. Net income (loss)		67,350	4250
B. Additions (includes non-conforming capital of	\$	4262	4260
C. Deductions (includes non-conforming capital of	\$	4272	4270
2. Balance, end of period (from item 1800)	\$	11,158,013	4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED  
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period	\$		4300
A. Increases			4310
B. Decreases			4320
4. Balance, end of period (from item 3520)	\$		4330

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**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**

CARTY & COMPANY, INC.

as of

12/31/16

**Exemptive Provision Under Rule 15c3-3**

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based :

- A. (k) (1) - Limited business (mutual funds and/or variable annuities only) \$ 4550
- B. (k) (2) (i) - "Special Account for the Exclusive Benefit of customers" maintained 4560
- C. (k) (2) (ii) - All customer transactions cleared through another broker-dealer on a fully disclosed basis.  
 Name(s) of Clearing Firm(s) - Please separate multiple names with a semi-colon 4335 X 4570  
PERSHING, LLC
- D. (k) (3) - Exempted by order of the Commission 4580

**Ownership Equity and Subordinated Liabilities maturing or proposed to be  
withdrawn within the next six months and accruals, (as defined below),  
which have not been deducted in the computation of Net Capital.**

Type of Proposed Withdrawal or Accrual (See below for code to enter)	Name of Lender or Contributor	Insider or Outsider ? (In or Out)	Amount to be with- drawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
<u>4600</u>	<u>4601</u>	<u>4602</u>	<u>4603</u>	<u>4604</u>	<u>4605</u>
<u>4610</u>	<u>4611</u>	<u>4612</u>	<u>4613</u>	<u>4614</u>	<u>4615</u>
<u>4620</u>	<u>4621</u>	<u>4622</u>	<u>4623</u>	<u>4624</u>	<u>4625</u>
<u>4630</u>	<u>4631</u>	<u>4632</u>	<u>4633</u>	<u>4634</u>	<u>4635</u>
<u>4640</u>	<u>4641</u>	<u>4642</u>	<u>4643</u>	<u>4644</u>	<u>4645</u>
<u>4650</u>	<u>4651</u>	<u>4652</u>	<u>4653</u>	<u>4654</u>	<u>4655</u>
<u>4660</u>	<u>4661</u>	<u>4662</u>	<u>4663</u>	<u>4664</u>	<u>4665</u>
<u>4670</u>	<u>4671</u>	<u>4672</u>	<u>4673</u>	<u>4674</u>	<u>4675</u>
<u>4680</u>	<u>4681</u>	<u>4682</u>	<u>4683</u>	<u>4684</u>	<u>4685</u>
<u>4690</u>	<u>4691</u>	<u>4692</u>	<u>4693</u>	<u>4694</u>	<u>4695</u>
<b>TOTAL</b>			\$ <u>4699</u>		

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Instructions: Detail listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c) (2) (iv)), which could be required by the lender on demand or in less than six months.

**WITHDRAWAL CODE: DESCRIPTION**

- 1. Equity Capital
- 2. Subordinated Liabilities
- 3. Accruals
- 4. 15c3-1(c) (2) (iv) Liabilities