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**SECURITIES AND EXCHANGE COMMISSION
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JUN 20 2005

Information Required of Brokers and Dealers Pursuant to Section 17 of the
BRANCH OF REGISTRATIONS AND EXAMINATIONS
03

**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III
revised
FACING PAGE**

| |
|-----------------|
| SEC FILE NUMBER |
| 8- 52003 |

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 01/01/04 AND ENDING 12/31/04
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: DOHERTY & COMPANY, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
11835 West Olympic Blvd., Suite 550 East
Los Angeles
(City) (No. and Street) (State)

| |
|-------------------|
| OFFICIAL USE ONLY |
| FIRM I.D. NO. |

PROCESSED
JUN 29 2005
THOMSON FINANCIAL

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
MICHAEL DOHERTY (310) 473-7965
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
ROBERT T. HIGASHI AN ACCOUNTANCY CORPORATION

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

8332 1/2 Melrose Avenue Los Angeles CA 90069
(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 |
| |

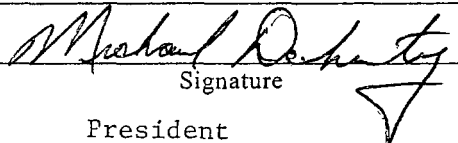
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

70.628

OATH OR AFFIRMATION

I, MICHAEL DOHERTY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of DOHERTY & COMPANY, LLC, as of DECEMBER 31, 2004, 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:


Signature
President
Title

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 15c3-3 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).

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

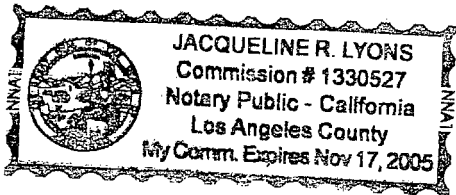
County of Los Angeles } ss.

On June 17 2005, before me, Jacqueline R. Lyons,
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared Michael Doherty,
Name(s) of Signer(s)

personally known to me

proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ is~~are~~ subscribed to the within instrument and acknowledged to me that he~~she/they~~ executed the same in his~~her/their~~ authorized capacity~~(ies)~~, and that by his~~her/their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.



WITNESS my hand and official seal.

Place Notary Seal Above

Jacqueline R. Lyons
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____

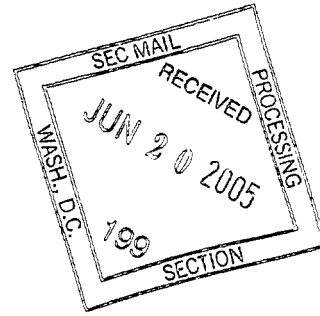
Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

RIGHT THUMBPRINT OF SIGNER

Top of thumb here

Signer Is Representing: _____



DOHERTY & CO., LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2004

ROBERT T. HIGASHI
AN ACCOUNTANCY CORPORATION

Doherty & Co., LLC
Report of Independent Accountants

To Doherty & Co., LLC

In our opinion, the accompanying balance sheet and the related statement of income and of members' capital and of cash flows present fairly, in all material respects, the financial position of Doherty & Company, LLC at December 31, 2004 in conformity with generally accepted accounting principles. These financial statements are the responsibility of Company's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with generally accepted auditing standards, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for the opinion expressed above.

Robert T. Higashi

Robert T. Higashi, An Accountancy Corporation
June 1, 2005

DOHERTY & CO., LLC

CONTENTS

| | |
|---|---------|
| Balance Sheet | 1 |
| Statement of Changes in Members' Capital Accounts..... | 1 |
| Statement of Income | 2 |
| Statement of Cash Flows | 3 |
| Computation of Net Capital | 4 |
| Computation of Basic Net Capital Requirement | 4 |
| Computation for Determination of Reserve Requirement Pursuant to Rule 15c3-3 | 5 |
| Reconciliation of the Computation of Net Capital Pursuant to Rule 15c3-3 | 6 |
| Notes to the Financial Statements | 7 to 10 |

Doherty & Co., LLC
Balance Sheet
December 31, 2004

| | Notes | 2004 |
|---|-------|---------------|
| Assets | | |
| Current Assets: | | |
| Cash and cash equivalents | B | 18,025 |
| Prepaid Expenses | B | 11,009 |
| Total current assets | | 29,034 |
| Investments | B | 52,215 |
| Property and equipment, net | B,C | 6,033 |
| Organization Costs, net | B,C | 0 |
| Total assets | | 87,282 |
| Liabilities and Stockholder's Equity | | |
| Current Liabilities: | | |
| Accounts Payable | B | 433 |
| Salaries Payable | B | 0 |
| Payroll Taxes Payable | B | 0 |
| Income Tax Payable | B | 800 |
| Total current liabilities | | 1,233 |
| Total Members' Capital | | 86,049 |
| Total Liabilities and Members' Capital | | 87,282 |

Doherty & Co., LLC
Statement of Changes in Members' Capital Accounts
For the Year Ended December 31, 2004

| | *A | *B | TOTALS |
|---|-----------------|----------------|---------------|
| Members' Capital (Note F) | | | |
| Members' Capital, January 1, 2004 | 132,499 | (9,990) | 122,509 |
| Partner contributions | 36,770 | 0 | 36,770 |
| Less: Personal drawings | (202,776) | 0 | (202,776) |
| Balance before profits and personal drawings | (33,507) | (9,990) | (43,497) |
| Profit for year | 128,251 | 1,295 | 129,546 |
| Members' Capital, December 31, 2004 | 94,744 | (8,695) | 86,049 |
| Ownership Percentages, December 31, 2004 | 99% | 1% | |
| MEMBER A | Michael Doherty | | |
| MEMBER B | Wendy Doherty | | |

Doherty & Co., LLC
Statement of Income
For the Year Ended December 31, 2004

| | Notes | |
|-------------------------------------|-------|----------------|
| Revenue: | | |
| Private Placement & Consulting Fees | B | 285,000 |
| Reimbursed Expenses | B | 9,515 |
| Total Revenue | | 294,515 |
| Operating Expenses: | | |
| Operating Expenses | I | 164,973 |
| Total Operating Expenses | | 164,973 |
| Operating Profit | | 129,542 |
| Interest Income | | 4 |
| Profit before income taxes | | 129,546 |
| Provision for income taxes | B | 0 |
| Net Profit | | 129,546 |

Subject to Notes to Financial Statement

Statement of Cash Flows
Doherty & Co., LLC
For the Year Ended December 31, 2004

| | |
|---|------------------|
| Cash flow from operating activities: | |
| Net Profit | 129,546 |
| Adjustments to reconcile net loss to cash provided from operating activities: | |
| Depreciation | 30,528 |
| Provision for taxes | 0 |
| Amortization-Organization Costs | 8,030 |
| Other changes that(used) provided cash: | |
| Prepaid expenses | 3,037 |
| Accounts payable | 815 |
| Net cash provided from operating activities | 171,956 |
| Cash flow from investing activities: | |
| Payments for property and equipment | 0 |
| Investments | 2,000 |
| Lease Deposits | 0 |
| Net cash used in investing activities | 2,000 |
| Cash flow from financing activities: | |
| Member contributions | 36,770 |
| Advance to member | 0 |
| Member capital draws | 0 |
| Member personal draws | (202,776) |
| Net cash used in financing activities | (166,006) |
| Net change in cash and cash equivalents | 3,950 |
| Cash and cash equivalents at January 1, 2004 | 14,075 |
| Cash and cash equivalents at December 31, 2004 | 18,025 |

Subject to Notes to Financial Statement

Doherty & Co., LLC
Computation of Net Capital
As of December 31, 2004

| | |
|--|--------|
| 1. Total ownership equity from Balance Sheet | 86,049 |
| 2. Deduct ownership equity not allowable for Net Capital: | 0 |
| 3. Total ownership equity qualified for Net Capital | 86,049 |
| 4. Add: | |
| A. Liabilities subordinated to claims of general creditors allowable in computation of net capital | 0 |
| B. Other (deductions) or allowable credits (List): | 0 |
| 5. Total capital and allowable subordinated liabilities | 86,049 |
| 6. Deductions and/or charges: | |
| A. Total non allowable assets from Balance Sheet | 69,257 |
| B. Secured demand note deficiency | 0 |
| C. Commodity futures contracts and spot commodities | 0 |
| D. Other deductions and/or credits | 0 |
| 7. Other additions and /or credits | 0 |
| 8. Net capital before haircuts on securities positions | 16,792 |
| 9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)): | |
| A. Contractual securities commitments | 0 |
| B. Subordinated securities borrowings | 0 |
| C. Trading and investment securities: | |
| 1. Exempted securities | 0 |
| 2. Debt securities | 0 |
| 3. Options | 0 |
| 4. Other securities | 0 |
| D. Undue Concentration | 0 |
| E. Other (List) | 0 |
| 10. Net Capital | 16,792 |

Doherty & Co., LLC
Computation of Basic Net Capital Requirement
As of December 31, 2004

| | |
|--|--------|
| 11. Minimum net capital required (6-2/3% of total aggregate indebtedness) | 82 |
| 12. Minimum dollar net capital requirement of reporting broker or dealer | 5,000 |
| 13. Net Capital requirement (greater of line 11 or 12) | 5,000 |
| 14. Excess net capital (line 10 less 13) | 11,792 |
| 15. Excess net capital at 1000% (line 10 less 10% of total aggregate indebtedness) | 16,669 |

Doherty & Co., LLC
Computation for Determination of Reserve Requirement Pursuant to Rule 15c3-3
As of December 31, 2004

| | Credits | Debits |
|--|----------------|---------------|
| 1. Free credit balances and other credit balances in customers' security accounts | 0 | |
| 2. Monies borrowed collateralized by securities carried for the accounts of customers | 0 | |
| 3. Monies payable against customers securities loaned | 0 | |
| 4. Customers' securities failed to receive | 0 | |
| 5. Credit balances in firm accounts which are attributable to principal sales to customers | 0 | |
| 6. Market value of stock dividends, stock splits and similar distributions receivable outstanding over 30 calendar days | 0 | |
| 7. Market value of short security count differences over 30 calendar days old | 0 | |
| 8. Market value of short securities and credits in all suspense accounts over 30 calendar days | 0 | |
| 9. Market value of securities which are in transfer in excess of 40 calendar days and have not been confirmed to be in transfer by the transfer agent or the issuer during the 40 days | 0 | |
| 10. Debit balances in customers' cash and margin accounts excluding unsecured accounts and accounts doubtful of collection | | 0 |
| 11. Securities borrowed to effectuate short sales by customers and securities borrowed to make delivery on customers' securities failed to deliver | | 0 |
| 12. Failed to deliver of customers' securities not older than 30 calendar days | | 0 |
| 13. Margin required and on deposit with the Options Clearing Corp. for all option contracts written or purchased in customer accounts | | 0 |
| Total Credits | 0 | |
| Total Debits | | 0 |
| 14. Excess of total credits over total debits required to be on deposit in the Reserve Bank Account" (240.15c3-3(e)). | | 0 |

Doherty & Co., LLC
Reconciliation of the Computation of Net Capital Pursuant to Rule 15c3-3
(Focus Report as of 12/31/04 vs. Audit Report as of 12/31/04)

Calculation of Difference in Net Capital between the Focus Report and the Audit Report:

| | | |
|---|------------|--------------|
| Computation of Net Capital Per Focus Report as of December 31, 2004 | | 17,593 |
| Computation of Net Capital Per Audit Report as of December 31, 2004 | | 16,792 |
| <u>Difference Due to the following adjustments:</u> | | <u>(801)</u> |
| 1) Increase in Income Tax Payable | 800 | |
| 2) Rounding Adjustment | <u>1</u> | |
| | <u>801</u> | |

Doherty & Co., LLC
Notes to the Financial Statements
As of December 31, 2004

A. Description of Business

Doherty & Co., LLC (the "Company") provides private placement agency services as well as financial consulting services.

B. Summary of Significant Accounting Policies

Cash and Cash Equivalents

The Company considers cash and all highly liquid investments purchased with an original or remaining maturity of less than three months at the date of purchase to be cash equivalents. All of its cash is custodied with three major financial institutions.

Fair Value of Financial Instruments

Carrying amounts of certain of the Company's financial instruments, including cash and equivalents, accrued payroll, and other accrued liabilities, approximate fair value because of their short maturities.

Investments

The Company's investments were classified as available for sale. Unrealized gains and losses on these investments are included as a separate component of members' equity.

Concentrations

Cash and cash equivalents are, for the most part, maintained with several major financial institutions in the United States. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally these deposits may be redeemed upon demand and therefore, bear minimal risk.

Revenue Recognition

The company recognizes revenue when it is realized or realizable and earned. The revenue from consulting time is recognized as services are provided. Private placement agency fees are recognized when the offerings are closed. Reimbursed expenses in excess of actual expenses are recognized on or before the offerings are closed.

Income Taxes

Provision for income taxes is based upon the annual LLC tax owed to the Franchise Tax Board for calendar year 2004. No tax is due to the Internal Revenue Service for calendar year 2004. As a limited liability company (LLC), the Company's taxable income or loss is allocated to members in accordance with their respective percentage ownership. Therefore, the only provision made for income tax is the actual annual gross receipts tax due by the LLC to the Franchise Tax Board.

Depreciation & Amortization

Property and Equipment and Organization Costs are carried at cost and depreciated or amortized over their estimated useful lives using the straight-line method. The estimated useful lives of depreciable properties generally are as follows: Office equipment, computer equipment and office furnishings 5 to 7 years. Organization costs are amortized between 5 and 15 years.

Doherty & Co., LLC
Notes to the Financial Statements
As of December 31, 2004

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 amounts that are reported in the financial statement and accompanying disclosures. Although these estimates are based on management's best knowledge of current events and actions that the company may undertake in the future, actual results may be different from the estimates.

Comprehensive Income

In the first quarter of calendar year 2000, the Company adopted SFAS No. 130 "Reporting Comprehensive Income". Under SFAS 130 the Company is required to report comprehensive income, which includes the Company's net income, as well as changes in equity from other sources. There were no changes in equity from other sources. The adoption of SFAS 130 had no impact on the Company's net income.

C. Property, Equipment and Organization Costs

The following is a summary of property and equipment, at cost less accumulated depreciation, at December 31:

| | |
|--------------------------------|----------------|
| Computer and Office Equipment | 77,547 |
| Office Furniture and Fixtures | 58,740 |
| | <u>136,287</u> |
| Less: accumulated depreciation | (130,254) |
| | <u>6,033</u> |
| | |
| Organization Costs | 39,348 |
| Less: accumulated amortization | (39,348) |
| | <u>0</u> |

Doherty & Co., LLC
Notes to the Financial Statements
As of December 31, 2004

D. Members' Capital

The prior operating agreement of the Company was amended and restated on September 1, 2000 in recognition of the withdrawal of Anthony J. Scotti and the inclusion of Wendy Doherty. As of December 31, 2004 the Company was owned 99% by Michael Doherty and 1% by Wendy Doherty.

E. Comprehensive Income

The Company has adopted SFAS No. 130, "Reporting Comprehensive Income", as of the first quarter of calendar year 2000. SFAS No. 130 establishes rules for the reporting and display of comprehensive income and its components, however, it had no impact on the Company's net income.

F. Information Relating to the Possession or Control Requirements Under SEC Rule 15c3-3

Doherty & Co., LLC did not have any customer accounts as of December 31, 2004.

G. Statement of Changes in Liabilities Subordinated to Claims of Creditors

Doherty & Co., LLC did not have any subordinated liabilities as of December 31, 2004.

Doherty & Co., LLC
Notes to the Financial Statements
As of December 31, 2004

I. Supplementary Information - Operating Expenses:

| | <u>2004</u> |
|--|-----------------------|
| Accounting Fees | 2,400 |
| Amortization | 8,030 |
| Automotive Expense | 1,257 |
| Bank Charges | 460 |
| Computer Expense | 1,086 |
| Consulting Fees | 3,535 |
| Depreciation | 30,528 |
| Entertainment | 6,419 |
| Filing Fees and Registration | 12,803 |
| Gifts | 116 |
| Insurance Expense | 39,020 |
| Office Expense | 2,685 |
| Payroll Tax Expense | 1,546 |
| Payroll Processing | 1,580 |
| Salaries and Wages | 34,327 |
| Shipping & Postage | 1,804 |
| Storage | 2,012 |
| Tax & License | 800 |
| Telephone | 14,565 |
| <u>Total Operating Expenses</u> | <u>164,973</u> |