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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ANNUAL AUDITED REPORT
FORM X-17A-5
PART III

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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 01/01/16 AND ENDING 12/31/16
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: BILTMORE INTERNATIONAL CORPORATION OFFICIAL USE ONLY

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

1090 KING GEORGES POST ROAD, SUITE 203

(No. and Street)

EDISON

NJ

08837

(City)

(State)

(Zip Code)

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

JAMES RAWDON

(732) 791-4000

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

BECHER, DELLA TORRE, GITTO & COMPANY

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

76 NORTH WALNUT STREET RIDGEWOOD

NJ

07450

(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

Empty box 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)

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RMS

OATH OR AFFIRMATION

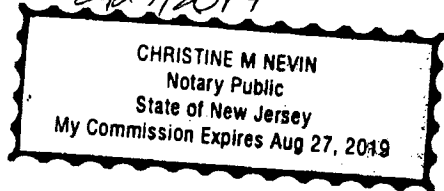
I, JOHN M. GLADDIS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of BILTMORE INTERNATIONAL CORPORATION, as of DECEMBER 31, 2016, are true and correct. I further swear (or affirm) that neither the company 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:

NONE


Signature

President
Title

Christine M. Nevin
Notary Public 2/27/2017



BILTMORE INTERNATIONAL CORPORATION
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2016

BILTMORE INTERNATIONAL CORPORATION
Financial Report
December 31, 2016

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76 North Walnut Street
Ridgewood, New Jersey 07450
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www.bdgcpa.com

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of
Biltmore International Corporation:

We have audited the accompanying statement of financial condition of Biltmore International Corporation (a New York corporation) (the "Company") as of December 31, 2016, and the related notes to the financial statements. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of the Company as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

Becher, Della Torre, Gitto & Company

Becher, Della Torre, Gitto & Company
Ridgewood, New Jersey
February 23, 2017

BILTMORE INTERNATIONAL CORPORATION
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2016

ASSETS

Cash and cash equivalents	\$ 181,699
Receivable from clearing broker	3,142,142
Securities owned – at market value	6,283,140
Property and equipment – net	12,843
Other assets	<u>5,000</u>
Total Assets	<u>\$ 9,624,824</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:	
Accounts payable and accrued expenses	\$ 211,496
Accrued interest – related party	160,000
Payable to clearing broker	5,547,651
Securities sold, not yet purchased – at market value	<u>735,489</u>
Total Liabilities	6,654,636
 Commitments and Contingencies	
Subordinated borrowings	2,100,000
 Stockholder's Equity:	
Common stock, \$1 par value; authorized 100,000 shares, issued and outstanding 20,000 shares	\$ 20,000
Additional paid-in capital	610,000
Retained earnings	<u>240,188</u>
Total Stockholder's Equity	<u>870,188</u>
Total Liabilities and Stockholder's Equity	<u>\$ 9,624,824</u>

The accompanying notes are an integral part of this financial statement

BILTMORE INTERNATIONAL CORPORATION
Notes to Statement of Financial Condition

NOTE 1 – Nature of Business and Summary of Significant Accounting Policies

Nature of Business

Biltmore International Corporation, (the "Company") is a brokerage firm engaged primarily in securities trading. The Company is registered as a broker-dealer with and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company is engaged primarily in market-making and securities trading as principal.

The Company operates under the provisions of Paragraph (k)(2)(ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that Rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clear all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmit all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure 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.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents.

Securities Owned and Securities Sold, Not Yet Purchased

Securities owned and securities sold, not yet purchased are stated at fair value and are recorded in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*. They represent equity and municipal debt securities in which the Company acts as market maker and performs proprietary trading.

Securities sold but not yet purchased represent obligations of the Company to deliver the specified security at the contracted price. A liability is thereby created to purchase the security in the market at prevailing prices. Accordingly, these transactions result in off-balance-sheet risk as the Company's ultimate obligation to satisfy the sale of securities sold but not yet purchased may exceed the amount recognized in the statement of operations.

Depreciation

Property and equipment is stated at cost, less accumulated depreciation. Depreciation is computed primarily by the straight-line method over the estimated useful lives of the related assets, which approximate three to seven years.

BILTMORE INTERNATIONAL CORPORATION
Notes to Statement of Financial Condition

NOTE 1 – Nature of Business and Summary of Significant Accounting Policies (Continued)

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits.

Income Taxes

The Company, with the consent of its stockholder, has elected to be taxed as an S corporation under the Internal Revenue Code and New Jersey and New York State tax codes. In lieu of corporation income taxes, the Stockholders of an S corporation are taxed on their proportionate share of the Company's taxable income. Therefore, no provision or liability for federal income taxes has been included in the accompanying financial statements.

Revenue Recognition

The Company records proprietary and firm trading transactions on a trade date basis. The Company is exposed to risk of loss on these transactions in the event a client or broker fails to meet the terms of their contracts, in which case the Company may have to purchase or sell the positions at prevailing market prices. The Company records client transactions on a trade date basis.

Fair Value

Fair Value Hierarchy

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1. Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3. Unobservable inputs for the asset or liability.

BILTMORE INTERNATIONAL CORPORATION
Notes to Statement of Financial Condition

NOTE 1 – Nature of Business and Summary of Significant Accounting Policies (Continued)

Fair Value (Continued)

Fair Value Hierarchy (Continued)

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair Value Measurements

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that the Company believes market participants would use in pricing the asset or liability at the measurement date.

A description of the valuation techniques applied to the Company's major categories of assets and liabilities measured at fair value on a recurring basis follows.

Exchange-Traded Equity and Municipal Debt Securities. Exchange-traded equity and municipal debt securities are generally valued based on quoted prices from the exchange. To the extent these securities are actively traded, valuation adjustments are not applied, and they are categorized in level 1 of the fair value hierarchy; otherwise, they are categorized in level 2 or level 3 of the fair value hierarchy.

There were no transfers between level 1 and level 2 during the year.

The following table summarizes the inputs used to value the Company's assets and liabilities measured at fair value as of December 31, 2016.

	Level 1	Level 2	Level 3	Total
Assets				
Equity securities	\$ -	\$ 2,130,541	\$ -	\$ 2,130,541
Municipal Debt securities	-	\$ 4,152,599	-	\$ 4,152,599
Total	-	\$ 6,283,140	-	\$ 6,283,140
Liabilities				
Equity securities	\$ -	\$ 735,489	\$ -	\$ 735,489

BILTMORE INTERNATIONAL CORPORATION
Notes to Statement of Financial Condition

NOTE 1 – Nature of Business and Summary of Significant Accounting Policies (Continued)

Financial Instruments

The Company's financial instruments include cash and cash equivalents, receivable from clearing broker, securities owned and securities sold, not yet purchased, accounts payable and accrued expenses, payable to clearing broker and subordinated notes payable.

The carrying amounts of cash and cash equivalents, receivable from clearing broker, securities owned and securities sold, not yet purchased, accounts payable and accrued expenses and payable to clearing broker approximate fair value because of the short maturity of these instruments. The recorded value of long-term subordinated debt approximates its fair value as the terms and rates approximate market rates.

NOTE 2 - Clearing Broker Receivables and Payables

Amounts receivable from and payable to clearing broker consist of the following:

	Receivable	Payable
Clearing broker deposits	\$ 3,142,142	\$ -
Payable on securities positions, net	-	5,547,651
	\$ 3,142,142	\$ 5,547,651

NOTE 3 - Property and Equipment

Property and equipment consists of the following:

Furniture and Fixtures	\$ 13,879
Computers and Office Equipment	80,690
	94,569
Less: Accumulated Depreciation	81,726
	\$ 12,843

NOTE 4 - Subordinated Borrowings – Related Party and Subordinated Borrowings – Other

Subordinated borrowings consist of the following:

1. Subordinated loan agreement with the Company's President and sole stockholder, in the amount of \$1,000,000. The loan agreement calls for interest at 10% per annum and became effective December 31, 2007. The loan was extended in 2016 to mature December 31, 2018. Accrued interest payable was \$100,000 at December 31, 2016 and is included in Accrued Interest – Related Party.

The loan has been approved by FINRA for inclusion in computing the Company's net capital pursuant to the Rule. Any subordinated debt can be repaid only if, after giving effect to such repayment, the Company meets the SEC's capital regulations governing withdrawal of subordinated debt.

BILTMORE INTERNATIONAL CORPORATION
Notes to Statement of Financial Condition

NOTE 4 - Subordinated Borrowings – Related Party and Subordinated Borrowings – Other
(Continued)

2. Subordinated loan agreement with the Company's President and sole stockholder, in the amount of \$600,000. The loan agreement calls for interest at 10% per annum and became effective December 29, 2006. The loan was extended in 2016 to mature December 29, 2018. Accrued interest payable was \$60,000 at December 31, 2016 and is included in Accrued Interest – Related Party.

The loan has been approved by FINRA for inclusion in computing the Company's net capital pursuant to the Rule. Any subordinated debt can be repaid only if, after giving effect to such repayment, the Company meets the SEC's capital regulations governing withdrawal of subordinated debt.

3. Subordinated loan agreement with LeoGroup Private Debt Facility, L.P. in the amount of \$500,000. The loan agreement calls for interest at 9% per annum and became effective September 30, 2016. The loan matures on September 30, 2017. Interest expense on the loan was \$13,962 for the year ended December 31, 2016. Accrued interest payable was \$11,250 at December 31, 2016 and is included in Accounts Payable and Accrued Expenses.

The loan has been approved by FINRA for inclusion in computing the Company's net capital pursuant to the Rule. Any subordinated debt can be repaid only if, after giving effect to such repayment, the Company meets the SEC's capital regulations governing withdrawal of subordinated debt.

Subordinated borrowings are summarized as follows:

Subordinated borrowings – related party	\$1,600,000
Subordinated borrowings – other	<u>500,000</u>
	<u>\$ 2,100,000</u>

NOTE 5 - Regulatory Requirements

The Company is subject to the Uniform Net Capital Rule ("the Rule") under the Securities Exchange Act of 1934. Under this Rule, the Company is required to maintain net capital, as defined, equal to the greater of \$100,000 or \$2,500 for each stock it posts a quote in that trades above \$5 per share and \$1,000 for each stock it posts a quote in that trades at \$5 or less per share, up to \$1,000,000 and a net capital ratio, as defined, of a maximum of 1500%. At December 31, 2016 the Company's net capital was \$2,365,962, which exceeded its minimum net capital requirement by \$1,365,962 and its net capital ratio was 15.70%.

BILTMORE INTERNATIONAL CORPORATION
Notes to Statement of Financial Condition

NOTE 6 - Related Party Transactions

Accrued interest – related party represents interest owed to the Company's President and sole stockholder in connection with the \$1,600,000 principal balance of subordinated borrowings (see Note 4).

NOTE 7 - Financial Instruments with Off-Balance Sheet Credit Risk

The Company maintains inventories in equity securities on both a long and short basis. While long inventory positions represent the Company's ownership of securities, short inventory positions represent obligations of the Company to deliver specified securities at a contracted price, which may differ from market prices prevailing at the time of completion of the transactions. Accordingly, both long and short inventory positions may result in losses or gains to the Company as market values of securities fluctuate. To mitigate the risk of losses, long and short positions are marked to market daily and are continuously monitored by the Company.

NOTE 8 - Subsequent Events

The Company has evaluated subsequent events through the date the statement of financial condition were available to be issued and up to the time of filing of the financial statements with the Securities and Exchange Commission. The Company noted no events or transactions that have occurred after December 31, 2016 that would require recognition or disclosure in the financial statements.