

**Equus Financial Consulting, LLC**  
**Statement of Financial Condition**  
**December 31, 2020**

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

OMB APPROVAL	
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SEC FILE NUMBER
8-52728

FACING PAGE

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 01/01/20 AND ENDING 12/31/20  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Equus Financial Consulting LLC

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

78 Pine Street, Suite 101

(No. and Street)

New Canaan

CT

06840

(City)

(State)

(Zip Code)

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

Darryl Glatthorn

203-222-7400

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Alperin, Nebbia & Associates, CPA, PA

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

375 Passaic Avenue, Suite 200 Fairfield

NJ

07004

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:



Certified Public Accountant



Public Accountant



Accountant not resident in United States or any of its possessions.

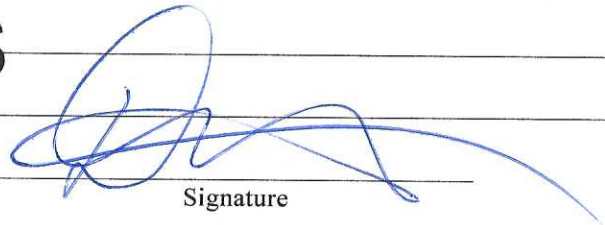
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

## OATH OR AFFIRMATION

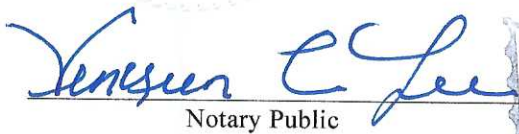
I, Darryl J. Glatthorn, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Equus Financial Consulting LLC, as of December 31, 2020, are true and correct. I further swear (or affirm) that neither the company 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:

**no exceptions**

  
Signature

Managing Partner

Title

  
Notary Public



This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) 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 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 15c3-1 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).**

**Equus Financial Consulting, LLC**  
**Index to Statement of Financial Condition**  
**December 31, 2020**

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Fairfield, NJ 07004  
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Steven J. Alperin, CPA  
Vincent Nebbia, CPA  
Jeffrey M. Seligmuller, CPA  
Roger J. Hitchuk, CPA

**Report of Independent Registered Public Accounting Firm**

To the Member of Equus Financial Consulting, LLC

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Equus Financial Consulting, LLC as of December 31, 2020, 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 Equus Financial Consulting, LLC as of December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

The statement of financial condition is the responsibility of Equus Financial Consulting, LLC's management. Our responsibility is to express an opinion on Equus Financial Consulting, LLC'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 Equus Financial Consulting, LLC 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.

We have served as the Company's auditor since 2020.

Alperin, Nebbia & Associates, CPA, PA

*Alperin, Nebbia & Associates, CPA, PA*

Fairfield, New Jersey  
February 22, 2021

**Equus Financial Consulting, LLC**  
**Statement of Financial Condition**  
**As of December 31, 2020**

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**ASSETS**

Assets:	
Cash and cash equivalents	\$ 136,258
Accounts receivable	1,281,444
Prepaid expenses and other assets	18,354
Total assets	<u>\$ 1,436,056</u>

**LIABILITIES AND MEMBER'S EQUITY**

Liabilities:	
Commissions payable	\$ 1,175,694
Accounts payable and accrued expenses	<u>25,182</u>
Total liabilities	1,200,876
Member's equity	235,180
Total liabilities and member's equity	<u>\$ 1,436,056</u>

See accompanying notes to financial statement.

# **Equus Financial Consulting, LLC**

## **Statement of Financial Condition**

### **As of December 31, 2019**

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#### **1. Nature of Operations and Summary of Significant Accounting Policies**

##### Nature of Operations

Equus Financial Consulting, LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company is a limited liability company formed in the State of Delaware. The Company's primary business focus is on private placements and life settlements. The Company provides services to a growing group of alternative assets managers to source qualified investors for their investment funds. In the life settlements market, the Company acts as a broker to arrange the sale of individual variable universal life insurance policies.

##### Basis of Presentation

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

##### Use of Estimates

The preparation of this financial statement in conformity with accounting principles generally accepted in the United States of America 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 this financial statement. Actual results could differ from these estimates.

##### Cash and Cash Equivalents

Cash and cash equivalents are stated at market value. Cash equivalents include only securities having a maturity of three months or less at the time of purchase. The Company maintains its cash balances at one financial institution located in the United States. These balances are insured up to \$250,000 by the Federal Deposit Insurance Corporation. At times, cash balances may exceed the insured limits. The Company has not experienced any losses in such accounts. The Company held no cash equivalents at December 31, 2020.

##### Accounts Receivable

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company may record an allowance for doubtful accounts, which is the Company's best estimate of the amount of probable credit losses on the existing accounts receivable. The allowance is determined based on the historical write-off experience and age of the accounts receivable balances. The allowance for doubtful accounts is reviewed on a monthly basis. Past due balances over 90 days and over a specified amount are reviewed individually each month for collectability and specific bad debt reserves are recorded as deemed necessary. Account balances are written off and removed from the allowance for doubtful accounts calculation when the Company determines that it is probable the accounts receivable will not be recovered. At December 31, 2020, no allowance for doubtful accounts was deemed necessary.

##### Commissions Payable

The Company records commissions payable to contractors based on a percentage of revenue. Commissions are paid when cash is received for amounts invoiced. No commission payable is recorded for accounts receivable balances that are considered uncollectible and for which a reserve is recorded.

# **Equus Financial Consulting, LLC**

## **Statement of Financial Condition**

### **As of December 31, 2019**

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#### Income Taxes

No provision for federal and state income taxes has been made for the Company since, as a single member limited liability company, the Company is not subject to income taxes. The Company's income or loss is reportable by its member on his individual tax return.

The Company has determined that there are no uncertain tax positions which require adjustment or disclosure on this financial statement. The tax years that remain subject to examination by taxing authorities are 2017, 2018, 2019, 2020.

## **2. Commitments and Contingencies**

The Company rents office space in Connecticut on a month-to-month basis.

The Company is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position of the Company.

The Company had no contingent liabilities and has not been named as a defendant in any lawsuit at December 31, 2020 or during the year then ended.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread globally. While the disruption is currently expected to be temporary, there is uncertainty around the duration. At this stage, the impact on our business and results has not been significant and based on our experience to date we expect this to remain the case. We will continue to follow the various government policies and advice and, in parallel, we will do our utmost to continue our operations in the best and safest way possible without jeopardizing the health of our people.

## **3. Net Capital and Aggregate Indebtedness Requirement**

The Company is subject to Part 240 Rule 15c3-1 of the Securities Exchange Act of 1934 (SEC Rule 15c3-1). SEC Rule 15c3-1 requires the Company to maintain a minimum net capital balance and a maximum ratio of aggregate indebtedness to net capital not to exceed 15 to 1.

At December 31, 2020, the Company's net capital balance as defined by SEC Rule 15c3-1 was \$111,076 which exceeded the minimum requirement of \$80,058 by \$31,018. At December 31, 2020, the Company's aggregate indebtedness to net capital as defined by SEC Rule 15c3-1 was 10.8 to 1.0.

The Company is not required to claim exemption from Rule 15c3-3(k) of the Securities and Exchange Commission (SEC), as the Company is considered a "Non-Covered Firm" by Footnote 74 issued by the SEC in July 2020. This is based on the Company only conducting non-covered activities, as described in Footnote 74.



**Equus Financial Consulting, LLC**  
**Statement of Financial Condition**  
**As of December 31, 2019**

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**4. Liabilities Subordinated to the Claims of General Creditors**

As of December 31, 2020, the Company had not entered into any subordinated loan agreement.

**5. Subsequent Events**

Events have been evaluated through the date that this financial statement was available to be issued, and no further information is required to be disclosed.