

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

ANNUAL REPORTS  
FORM X-17A-5  
PART III

OMB APPROVAL
OMB Number: 3235-0123
Expires: Oct. 31, 2023
Estimated average burden hours per response: 12

SEC FILE NUMBER
8-66911

FACING PAGE

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/2021 AND ENDING 12/31/2021  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Niagara International Capital Limited

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.)

757 Third Avenue, 21st Floor

(No. and Street)

New York

NY

10017

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Nicholas Sheumack 646-681-6349 nsheumack@sheumackgma.com  
(Name) (Area Code – Telephone Number) (Email Address)

B. ACCOUNTANT IDENTIFICATION

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

Phillip V. George, PLLC

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

5179 CR 1026

Celeste

TX

75423

(Address)

(City)

(State)

(Zip Code)

02/24/2009

3366

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

FOR OFFICIAL USE ONLY

\* 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.


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.

### OATH OR AFFIRMATION

I, Nicholas Sheumack, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Niagara International Capital Limited, as of December 31, 2021, 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.

Signature: 

Title: Chief Executive Officer

  
Notary Public

MARK F. SHKREL  
Notary Public, State of New York  
No. 03-4996849  
Qualified in Bronx County  
Cert. Filed in Westchester County  
Commission Expires 05/26/22

**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.**

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2021**

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2021**

**TABLE OF CONTENTS**

Report of Independent Registered Public Accounting Firm	1
<hr/>	
FINANCIAL STATEMENTS:	
Statement of Financial Condition	2
Statement of Operations	3
Statement of Changes in Stockholder's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 8
Supplemental information pursuant to Rule 17a-5	9
<hr/>	
Report of Independent Registered Public Accounting Firm On Exemption Report	10
Niagara International Capital Limited's Exemption Report	11



PHILLIP V. GEORGE, PLLC  
CERTIFIED PUBLIC ACCOUNTANT

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors  
Niagara International Capital Limited

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Niagara International Capital Limited as of December 31, 2021, the related statements of operations, changes in stockholder's equity, 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 Niagara International Capital Limited 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.

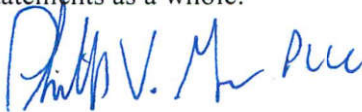
**Basis for Opinion**

These financial statements are the responsibility of Niagara International Capital Limited's management. Our responsibility is to express an opinion on Niagara International Capital Limited'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 Niagara International Capital Limited 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 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 contained in Schedule I has been subjected to audit procedures performed in conjunction with the audit of Niagara International Capital Limited's financial statements. The supplemental information is the responsibility of Niagara International Capital Limited'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 contained in Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.



PHILLIP V. GEORGE, PLLC

We have served as Niagara International Capital Limited's auditor since 2019.

Celeste, Texas  
February 4, 2022

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2021**

<i>Assets</i>	
Cash	\$ 858,954
Prepaid expenses	<u>9,898</u>
Total Assets	<u><u>\$ 868,852</u></u>
<i>Liabilities and Stockholder's Equity</i>	
Liabilities	
Accounts payable	<u>\$ 9,920</u>
Common stock, no par value, stated value \$1,250 per share, 200 shares authorized, 4 shares issued and outstanding	5,000
Additional paid-in capital	1,536,170
Accumulated deficit	<u>(682,238)</u>
Total stockholder's equity	<u>858,932</u>
Total Liabilities and Stockholder's Equity	<u><u>\$ 868,852</u></u>

The accompanying notes are an integral part of these financial statements.

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2021**

*Revenues:*

Merger and acquisition services	\$ 2,875,000
Other revenue	966
Interest income	<u>182</u>
Total Revenues	<u>2,876,148</u>

*Expenses:*

Compensation and related costs	2,587,500
Office and administrative services - related party	68,268
Professional fees	31,662
Regulatory fees	16,481
Other expenses	<u>548</u>
Total Expenses	<u>2,704,458</u>
Net income before provision for income taxes	171,690
Current income taxes - state	<u>1,410</u>
Net Income	<u><u>\$ 170,280</u></u>

The accompanying notes are an integral part of these financial statements.

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**  
**YEAR ENDED DECEMBER 31, 2021**

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total
Balances, December 31, 2020	\$ 5,000	\$ 1,536,170	\$ (852,518)	\$ 688,652
Net Income	-	-	170,280	170,280
Balances, December 31, 2021	<u>\$ 5,000</u>	<u>\$ 1,536,170</u>	<u>\$ (682,238)</u>	<u>\$ 858,932</u>

The accompanying notes are an integral part of these financial statements.



**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2021**

Cash flows from operating activities:	
Net income	170,280
Adjustments required to reconcile net income to cash provided by operating activities:	
Change in assets and liabilities:	
Increase in prepaid expenses	(5,926)
Increase in accounts payable	<u>9,920</u>
Net cash provided by operating activities:	<u>174,274</u>
Net increase in cash	174,274
Cash - beginning of year	<u>684,680</u>
Cash - end of year	<u><u>\$ 858,954</u></u>
Supplemental Disclosures of Cash Flow Information:	
Cash paid during the year for :	
Income taxes - state	<u>\$ 1,410</u>
Interest	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 1 - Nature of business:**

Niagara International Capital Limited (the “Company”), was organized in May 2007 as a New York limited liability company. The Company is a wholly owned subsidiary of Rossendale Group, Inc. (the “Parent”), a New York corporation. The Company is registered as a broker-dealer with the Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and Securities Investor Protection Corp. (“SIPC”).

The Company is considered a Non-Covered Firm exempt from 17 C.F.R. § 240.15c3-3 relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5. The Company limits its business activities exclusively to receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients.

The Company’s operations consist of providing merger and acquisition services, through referrals from Sheumack & Co. GMA, LLC (“Sheumack”), a related party.

**Note 2 – Summary of significant accounting policies:**

**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 the assets and liabilities and 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.

**Revenue recognition:**

Revenue from contracts with customers includes advisory services on mergers and acquisitions (M&A). The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the Company’s progress under the contract; and whether constraints on variable consideration should be applied due to uncertain future events.

Revenue for M&A advisory arrangements is generally recognized at the point in time that performance under the arrangement is completed, generally the closing date of the transaction.

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 2 – Summary of significant accounting policies (continued):**

**Income taxes:**

The Company had elected to be taxed under the provisions of Subchapter S of the Internal Revenue Code ("IRC") and the Parent has elected under the IRC for the Company to be treated as a qualified Subchapter S Subsidiary ("Qsub") of the Parent. Under the Qsub election, the Company is disregarded for federal tax purposes; therefore, all taxable income or loss flows through to the Parent's S-corporation tax return, resulting in all the federal tax liabilities or benefits relating to the operations of the Company and the Parent passing through to the individual shareholders of the Parent; therefore, federal income taxes are not payable by, or provided for, the Company.

The Company is subject to state income taxes.

As of December 31, 2021, open Federal tax years subject to examination include the tax years ended December 31, 2018 through December 31, 2020.

**Note 3 – Net capital requirement:**

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2021, the Company had net capital of \$849,034, which was \$844,034 in excess of its net capital requirement of \$5,000. The Company's net capital ratio was .01 to 1.

**Note 4 - Related party transactions/Concentration/Economic dependency:**

The Company, Parent and Sheumack are under common control and the Company is economically dependent on its Parent and Sheumack. The existence of that control and dependency creates operating results and financial position significantly different than if the Companies were autonomous. Transactions between the Company and Sheumack were not consummated on terms equivalent to arm's length transactions.

The Company provides merger and acquisition services through referrals from Sheumack.

The sole shareholder of the Parent and Sheumack, who is also an officer and registered securities representative of the Company, generated substantially all of the Company's revenue and accounted for substantially all of the Company's compensation and related costs for the year. The Company is economically dependent upon this individual due to the concentration of services provided.

**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**Note 4 - Related party transactions/Concentration/Economic dependency (continued):**

Sheumack acts as a common paymaster for the Company, which the Company settles on a regular basis.

The Company and Sheumack have entered into an office and administrative services agreement (“Agreement”), last amended on January 1, 2021. The Agreement was for an initial one-year term and is automatically renewable unless canceled by either Party. The Agreement has automatically renewed through December 31, 2022. Under the Agreement, Sheumack provides management and back office services required by the Company, including, but not limited to administrative services, office space, office equipment and supplies, payroll (excluding commissions), marketing, sales, legal and accounting services. The Agreement required the Company to pay a proportional allocation services fee of approximately \$5,689 per month for the year of 2021. Fees under the Agreement totaled \$68,268 for the year ended December 31, 2021.

**Note 5 – Concentration of credit risk:**

At various times during the year the Company maintains cash balances at one national bank in excess of federally insured amounts. Cash balances fluctuate on a daily basis. At December 31, 2021, cash held in excess of the FDIC insurance totaled \$608,954.

**Note 6 – Contingencies:**

The Company's business subjects it to various claims, regulatory examinations, and other proceedings in the ordinary course of business. The Company currently has one arbitration claim filed against it. The nature of this claim is related to the Company's activities in the securities industry under the Company's former ownership. The Company, based in part upon the opinion of legal counsel, does not believe there is a likelihood of a significant unfavorable outcome. It is at least reasonably possible that the Company's estimate of its liability may change in the near term. The Company intends to vigorously defend itself against this action; however, the ultimate outcome of this or any other action against the Company could have an adverse impact on the financial condition, results of operations, or cash flows of the Company.

**Note 7 – Subsequent events:**

Management has evaluated the Company's events and transactions that occurred subsequent to December 31, 2021, through February 4, 2022, the date which the financial statements were available to be issued.

**SCHEDULE I**  
**NIAGARA INTERNATIONAL CAPITAL LIMITED**  
**SUPPLEMENTAL INFORMATION PURSUANT TO RULE 17A-5**  
**DECEMBER 31, 2021**

**Computation of Net Capital**

Stockholder's equity qualified for net capital	<u>\$ 858,932</u>
Non-allowable assets:	
Prepaid expenses	<u>9,898</u>
Total non-allowable assets	<u>9,898</u>
Net capital	<u><u>\$ 849,034</u></u>
Aggregate indebtedness:	
Accounts payable	<u>9,920</u>
Total aggregate indebtedness	<u><u>\$ 9,920</u></u>
Minimum net capital requirement - the greater of \$5,000	
or 6 2/3% of aggregate indebtedness	<u><u>\$ 5,000</u></u>
Excess net capital	<u><u>\$ 844,034</u></u>
Ratio of aggregate indebtedness to net capital	<u><u>0.01 to 1</u></u>

**Reconciliation of Computation of Net Capital**

The above computation does not differ from the computation of net capital under Rule 15c3-1 as of December 31, 2021 as filed by Niagara International Capital Limited on Form X-17A-5. Accordingly, no reconciliation is necessary.

**Statement of Changes in Liabilities Subordinated to Claims of General Creditors**

No statement is required as no subordinated liabilities existed at any time during the year.

**Statement Regarding Reserve Requirements and Possession or Control Requirements**

The Company is considered a Non-Covered Firm exempt from 17 C.F.R. § 240.15c3-3 relying on Footnote 74 of the SEC Release No.34-70073 adopting amendments to 17 C.F.R. § 240.17a-5. The Company limits its business activities exclusively to receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients. The Company does not hold funds or securities. As a Non-Covered Firm, the Computation of Determination of the Reserve Requirements and Information Relating to the Possession or Control Requirements are not required.

See accompanying report of independent registered public accounting firm.



PHILLIP V. GEORGE, PLLC  
CERTIFIED PUBLIC ACCOUNTANT

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors  
Niagara International Capital Limited

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report pursuant to SEC Rule 17a-5, in which (1) Niagara International Capital Limited (the Company) did not claim an exemption under paragraph (k) of 17 C.F.R. §240.15c3-3, and (2) the Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients. In addition, the Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

Niagara International Capital Limited'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 Niagara International Capital Limited'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 upon the Company's business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, and related SEC Staff Frequently Asked Questions.



PHILLIP V. GEORGE, PLLC

Celeste, Texas  
February 4, 2022

# **Niagara International Capital Limited**

757 Third Avenue, 21<sup>st</sup> Floor / New York, New York 10017  
646-681-6349

## **Exemption Report**

**Niagara International Capital Limited** is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, “Reports to be made by certain brokers and dealers”). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

(1) The Company does not claim an exemption under paragraph (k) of 17 C.F.R. § 240.15c3-3, and

(2) The Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients, and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers; (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

## **Niagara International Capital Limited**

I, Nicholas Sheumack, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.



---

Nicholas Sheumack, Chief Executive Officer  
January 5, 2022