

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

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

OMB APPROVAL
OMB Number: 3235-0123
Expires: October 31, 2023
Estimated average burden hours per response..... 12.00

SEC FILE NUMBER
8-67002

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 01/01/2020 AND ENDING 12/31/2020  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Dalmore Group LLC

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

525 Green Place

(No. and Street)

Woodmere

NY

11598

(City)

(State)

(Zip Code)

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

Oscar F. Seidel

646.873.7668

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Michael T. Remus, CPA

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

PO Box 2555

Hamilton Square

NJ

08690

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:



Certified Public Accountant



Public Accountant



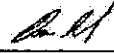
Accountant not resident in United States or any of its possessions.

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)

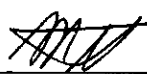
## OATH OR AFFIRMATION

I, Oscar Seidel, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Daimore Group 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:

  
Signature

President/CEO

Title

  
MORTON N. FRUCHT  
Notary Public, State of New York  
No. 01FR6297762  
Qualified in Nassau County  
Term Expires March 3, 2022

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).

**Dalmore Group LLC**

***STATEMENT OF FINANCIAL CONDITION***

**as of**

**December 31, 2020**

**MICHAEL T. REMUS**  
*Certified Public Accountant*

P.O. Box 2555  
Hamilton Square, NJ 08690  
Tel: 609-540-1751  
Fax: 609-570-5526

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members'  
Dalmore Group LLC

**Opinion on the Financial Statement**

I have audited the accompanying statement of financial condition of Dalmore Group LLC as of December 31, 2020, and the related notes (collectively referred to as the financial statement). In my opinion, the statement of financial condition presents fairly, in all material respects, the financial position of Dalmore Group LLC as of December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

This financial statement is the responsibility of Dalmore Group LLC's management. My responsibility is to express an opinion on Dalmore Group LLC's financial statement based on my audit. I am a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and am required to be independent with respect to Dalmore Group 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.

I conducted my audit in accordance with the standards of the PCAOB. Those standards require that I 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. My 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 statements. My 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. I believe that my audit provides a reasonable basis for my opinion.

*Michael T. Remus*

I have served as Dalmore Group LLC's auditor since 2021.

Michael T. Remus, CPA  
Hamilton Square, New Jersey  
March 20, 2021

**DALMORE GROUP LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
December 31, 2020

**ASSETS**

Current Assets		
Cash	\$	227,727
Accounts receivable		40,483
Prepaid Expenses		30,229
Total Current Assets		<u>298,439</u>
Total Assets	\$	<u><u>298,439</u></u>

**LIABILITIES AND MEMBER EQUITY**

Current Liabilities		
Accounts payable	\$	162,443
Net deferred revenue		34,485
Total Current Liabilities		<u>196,928</u>
Total Liabilities		<u>196,928</u>

Member Equity

Member Equity		101,511
Total Liabilities & Member Equity	\$	<u><u>298,439</u></u>

See accompanying notes.

**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

**1 Organization and Nature of Business**

Dalmore Group, LLC (“the Company”) is registered as a broker and dealer in securities pursuant to Section 15 (b) of the Securities and Exchange Act of 1934. The Company was formed in April 2005 in the State of New York.

**2 Significant Accounting Policies**

*(a) Basis of Presentation*

The financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) unless otherwise disclosed.

*(b) 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 reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

*(c) Statement of Cash Flows*

For purposes of the statement of cash flows the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months, that are not held for sale in the ordinary course of business. The company has adopted the indirect method of presenting the statement of cash flows in accordance with current authoritative pronouncements. There were no cash equivalents at December 31, 2020. Cash is held at two major financial institutions and is insured by the Federal Deposit Insurance Corporation.

*(d) Accounts Receivable*

The Company establishes an allowance for uncollectible trade accounts receivable based on management’s evaluation of the collectability of outstanding accounts receivable. Management has evaluated accounts receivable at December 31, 2020 and believes they are all collectible. Accounts receivable are not collateralized.

*(e) Revenue Recognition*

The Company recognizes *Revenue from Contracts with customers in accordance with* ("ASC Topic 606"). This revenue recognition guidance requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance

**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

*(e) Revenue Recognition – continued*

requires an entity to follow a five-step model to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

**Significant judgments:**

Revenue from contracts with customers includes income from various fees from investment banking and consulting services. The recognition and measurement of revenue is based on the assessment of an individual contract or as a portfolio of contract terms. The Company enters into contracts with customers that may include promises to transfer multiple services to the customer. Determining whether the services are considered distinct performance obligations that should be accounted for separately rather than together may require significant judgement. Significant judgment is also 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. In addition to where the standalone price of a performance obligation is not directly observable it is determined using information that may include market conditions and other observable inputs.

**Referral fees**

The Company acts as the broker/dealer for certain investors who qualify for the EB-5 Program in assisting them with the I-526 Immigration Petition. As part of the service for acting as the broker/dealer, the Company receives a fee upon satisfaction of all the requirements per the terms of the Investment Procurement Agreement. In addition, the Company is eligible to receive a per annum fee on the funds invested in the approved project by the qualified investor. This fee and the related commission expense is recognized upon receipt of the fee from the investor.

**Investment Advisory fees**

The Company provides various investment advisory services on a daily basis. The Company believes the performance obligation for providing advisory services is satisfied over time because the customer is receiving and consuming the benefits as they are provided by the Company. Fee arrangements are generally fixed and determined in the contract. Fees are recognized as revenue when received as they relate specifically to the services provided in that period, which are distinct from the services provided in other periods.

**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

*Revenue Recognition – continued*

**Service fees**

The Company provides services to clients offering securities directly to the public in offerings that are generally exempt from registration under Regulation A+. The Company is entitled to certain success fees based on the aggregate amount raised by the client from investors. The company believes that the performance obligation is satisfied upon closing and the funds have been committed and transferred by the investor.

**Retainer fees**

In certain engagements, clients are assessed non-refundable retainer fees. These retainer fees are either up-front payments paid solely in consideration of the engagement by the client of the Company, or fees which are in respect of a defined period, which range from a single payment to recurring payments for the duration of the contract. Such periods vary in length. In the case of retainer payments linked to specified time periods, fees are considered earned when the performance obligations are satisfied and are recognized ratably over the period covered by the retainer fee. The Company recognizes non-refundable retainer fees which are not linked to a specified time period when all performance obligations are satisfied.

**Success fees**

Success fees are owed to the Company on the closing of a merger and acquisition transaction, fairness opinion or similar transaction. The amount of the fee is stipulated in the Company's engagement contract with the client and is generally calculated as a percentage of the size of the relevant transaction or as a fixed fee. Success fees are recognized when the relevant investment banking transaction is closed.

**Compliance fees**

The Company receives flat fees that it charges its registered representatives on annual or prorated basis.

*(f) Income Taxes*

The Company is treated as a sole proprietorship (disregarded entity) for federal income tax purposes. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements. The amount of income or loss allocable to the member are subject to examination by federal and state taxing authorities. In the event of an examination, the tax liability of the member could be changed if an adjustment in the Company's income or loss is ultimately determined by the taxing authorities.

Certain transactions may be subject to accounting methods for federal and state income tax purposes which differ from the accounting methods used in preparing the financial statements. Accordingly, the net income or loss of the member and the resulting balances in the members' capital account reported for federal and state income tax purposes may differ from the balances reported for those same items in these financial statements.



**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

*(f) Income Taxes - continued*

The Company recognizes and measures its unrecognized tax benefits in accordance with ASC Topic 740, Income Taxes. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of the financial reporting period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

Management has determined that the Company has no uncertain tax positions that would require financial statement recognition at December 31, 2020. This determination will always be subject to ongoing evaluation as facts and circumstances may require. The Company remains subject to U.S. federal and state income tax audits for all years subsequent to 2016.

In addition, no income tax related penalties or interest have been recorded for the year ended December 31, 2020.

*(g) Advertising and Marketing*

Advertising and marketing costs (if any) are expensed as incurred.

*(h) General and Administrative Expenses*

General and administrative costs are expensed as incurred.

*(i) Fair Value Hierarchy*

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. 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 has the ability to access at the measurement date.
- Level 2.* Inputs other than quoted prices included in Level 1 that are observable for the assets or liability either directly or indirectly.
- Level 3.* Inputs are unobservable for the assets or liability.

**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

*(i) 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 the 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 the 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.

For further discussion of fair value, see “Note 6 Fair Value”

### **3 Net Capital Requirements**

The Company, as a registered broker-dealer in securities is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1). The Company has elected to operate under that portion of the Rule which requires the Company maintain “net capital” equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness, as those terms are defined in the Rule. At December 31, 2020, the Company had net capital of \$30,799, which was \$17,670 in excess of its required minimum net capital of \$13,129. The Company had an AI/NC ratio of 639.40%.

The Company is registered with FINRA as a Broker Dealer exempt from SEC Rule 15c3-3 under Section (k)(2)(ii). Therefore it is not subject to possession or control requirements under SEC Rule 15c3-3 and not required to compute 15c3-3 reserve requirement.

### **4 Leases**

The Company leases office space under a service agreement effective August 1, 2019 renewing monthly. Rent expense for the year ended December 31, 2020 was \$1,500.

### **5 Concentrations**

The Company has a revenue concentration with one customer that accounted for more than 10% of total revenues during the year. There is no assurance of future revenues from this concentration. However, management believes it has sufficient contacts in place to support operations for the foreseeable future.

The Company maintains its cash at financial institutions in amounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts through December 31, 2020. As of December 31, 2020 there were no cash balances held in any accounts that were not fully insured.

**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

**6 Fair Value**

Cash, receivables, accounts payable and other current liabilities are reflected in the financial statements at carrying value which approximates fair value because of the short-term maturity of these instruments.

**7 Commitments and Contingencies**

Pursuant to Securities and Exchange Commission Rule 15c3-1(e)(2) the Company may not authorize distributions to its members if such distributions cause the Company's net capital to fall below 120% of the Company's minimum net capital requirement. As of December 31, 2020 the Company was not in violation of this requirement.

The Company had no lease or equipment rental commitments (other than as disclosed in Note 4 above), no underwriting commitments, no contingent liabilities, and had not been named as a defendant in any lawsuit at December 31, 2020 or during the year then ended.

**8 Related Party Transactions**

During the year, the sole shareholder and president of the Company was paid \$1,140,510 on a contractor basis.

**9 Anti-Money Laundering Policies and Procedures**

The Company is required to implement policies and procedures relating to anti-money laundering, compliance, suspicious activities, and currency transaction reporting and due diligence on customers who open accounts with the Company. At December 31, 2020 the Company had implemented such policies and procedures.

**10 Exemption from Rule 15c3-3**

The Company is exempt from the Securities and Exchange Commission Rule 15c3-3 and, therefore, is not required to maintain a "Special Reserve Bank Account for the Exclusive Benefit of Customers".

**11 Subsequent Events**

On March 4, 2021, the Company agreed to a Letter of Acceptance, Waiver and Consent (AWC) with its Regulator from a matter that originated from a regular cycle exam in 2019. The Company was censured and agreed to pay a monetary fine. The AWC was accepted by the Regulator on March 19, 2021. The monetary fine did not cause a net capital deficiency.

**DALMORE GROUP LLC**  
Notes to Financial Statements  
December 31, 2020

**11 Subsequent Events - *continued***

The Company has evaluated subsequent events occurring after the statement of financial condition date through the date of March 20, 2021 which is the date the financial statements were available to be issued. Based on this evaluation, the Company has determined that no other subsequent events have occurred which require disclosure in or adjustment to the financial statements.

**12 COVID 19**

In March 2020, the World Health Organization (WHO) declared COVID-19 a global pandemic. This pandemic event has resulted in significant business disruption and uncertainty in both global and U.S. markets. While management believes the Company is in an appropriate position to weather the potential short-term effects of these world-wide events, the direct and long-term impact to the Company and its financial statements is undetermined at this time.