

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

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

SEC FILE NUMBER
8-43369

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 01/01/17 AND ENDING 12/31/17  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

**Fogel Neale Securities, LLC**

OFFICIAL USE ONLY

FIRM ID. NO.

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

**39 Broadway, Suite 3300**

(No. and Street)

**New York**

(City)

**NY**

(State)

**10006**

(Zip Code)

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

**Ralph Fogel**

**(646) 708-9020**

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

**Arnold G. Greene**

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

**65 Kingsbury Road**

(Address)

**Garden City**

(City)

**NY**

(State)

**11530**

(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 (3-91)

# **Fogel Neale Securities, LLC**

**Financial Statements and  
Supplementary Schedules  
Pursuant to Rule 17a-5 under the  
Securities Exchange Act of 1934  
December 31, 2017**

## Fogel Neale Securities, LLC

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

- ☒ Report of Independent Registered Public Accounting Firm.
- ☒ Facing Page.
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- ☒ Statement of Operations.
- ☒ Statement of Changes in Member's Equity.
- ☒ Statement of Cash Flows.
- ☐ Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable).
  
- ☒ Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.
- ☒ Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- ☐ Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).
- ☐ A Reconciliation, including appropriate explanations, of the Computation of Net Capital Pursuant to Rule 15c3-1 (included with item (g)) and the Computation for Determination of Reserve Requirements Under Rule 15c3-3 (included in item (g)).
- ☐ A Reconciliation Between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).
- ☒ An Affirmation.
- ☐ A copy of the SIPC Supplemental Report.
- ☒ Report of Independent Registered Public Accounting Firm Regarding Rule 15c3-3 Exemption Report.
- ☒ Statement of Exemption from Rule 15c3-3.

**\*\*** *For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).*

## AFFIRMATION

I, Ralph Fogel, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to Fogel Neale Securities, LLC for the year ended December 31, 2017, are true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.



\_\_\_\_\_  
Signature

\_\_\_\_\_  
Chief Compliance Officer

Title

JORDAN R D CONNELL  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01CO6229127  
Qualified In New York County  
My Commission Expires 10-04-2018



\_\_\_\_\_  
Notary Public

**ARNOLD G. GREENE**  
CERTIFIED PUBLIC ACCOUNTANT  
85 KINGSBURY ROAD  
GARDEN CITY, N.Y. 11530  
—  
(516) 742-2198  
FAX (516) 742-5813

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member of  
**FOGEL NEALE SECURITIES, LLC**

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Fogel Neale Securities, LLC (the "Company"), as of December 31, 2017, and the related statements of operations, changes in member'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 the Company as of December 31, 2017, and the results of its operations and its cash flows for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

**Supplementary Information**

The supplementary information, the Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission and the Computation for Determination of Reserve Requirements and Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission, has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplementary information is the responsibility of the Company's management. Our audit procedures included determining whether the supplementary 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 supplementary information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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 the Company 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.

**SIGNATURE**

A handwritten signature in black ink, appearing to read "H. G. Greene", written over a horizontal line.

We have served as the Company's auditor since 2008.

February 23, 2018

# Fogel Neale Securities, LLC

## Statement of Financial Condition December 31, 2017

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### Assets

Cash	\$ 6,115
Due from affiliate	317,104
Other assets	<u>50,000</u>
Total assets	<u>\$ 373,219</u>

### Liabilities and Member's Equity

Member's equity	<u>373,219</u>
Total liabilities and member's equity	<u>\$ 373,219</u>

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

# Fogel Neale Securities, LLC

## Statement of Operations Year Ended December 31, 2017

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### Revenues

Commission income	\$ 3,550
Fee income	<u>71</u>
	3,621

### Expenses

Professional fees	6,000
Regulatory and other fees	<u>4,150</u>
Total expenses	<u>10,150</u>

Net loss	<u><u>\$ (6,529)</u></u>
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The accompanying notes are an integral part of these financial statements.

## **Fogel Neale Securities, LLC**

### **Statement of Changes in Member's Equity Year Ended December 31, 2017**

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<b>Balance, January 1, 2017</b>	<b>\$ 379,148</b>
Net loss	(6,529)
Capital contributions	<u>600</u>
<b>Balance, December 31, 2017</b>	<b><u>\$ 373,219</u></b>

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

# Fogel Neale Securities, LLC

## Statement of Cash Flows Year Ended December 31, 2017

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### Cash flows from operating activities

Net loss	\$ (6,529)
Adjustments to reconcile net income to net cash used by operating activities	
Non-cash expenses	600
Decrease in operating assets	
Due from affiliate	3,685
Other assets	1,599
(Decrease) in operating liabilities	
Accrued expenses	<u>(210)</u>
Net cash used by operating activities	<u>(855)</u>

### Cash

Beginning of year	<u>6,970</u>
End of year	<u>\$ 6,115</u>

### Noncash financing activity

Administrative fees assumed by Parent	<u>\$ 600</u>
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The accompanying notes are an integral part of these financial statements.

# Fogel Neale Securities, LLC

## Notes to Financial Statements December 31, 2017

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### 1. Nature of Operations

Fogel Neale Securities, LLC (the “Company”) is a New York Limited Liability Company registered with the Securities and Exchange Commission (the “SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”). The Company earns commissions from transactions executed on behalf of customers.

### 2. Summary of Significant Accounting Policies

#### Basis of Presentation

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) which 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 amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

#### Cash

All cash deposits are held by one financial institution and therefore are subject to the credit risk at that financial institution. The Company has not experienced any losses in such accounts and does not believe there to be any significant credit risk with respect to these deposits.

#### Revenue Recognition

Securities transactions and the related revenues and expenses are recorded on a trade-date basis.

#### Income Taxes

No provision for income taxes has been recorded because the Company is a single member limited liability company and is thus treated as a disregarded entity. Accordingly, the individual members of its parent report their share of the Company’s income or loss on their personal income tax returns. The Company’s parent is subject to the New York City unincorporated business tax.

As of December 31, 2017, management has determined that the company had no uncertain tax positions that would require financial statement recognition.

# **Fogel Neale Securities, LLC**

## **Notes to Financial Statements December 31, 2017**

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### **3. Related Party Transactions**

During 2017, the Company paid approximately \$600 for administrative fees under an Expense Sharing agreement with the Parent.

### **4. Regulatory Requirements**

The Company is subject to SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934, 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. At December 31, 2017, the Company had net capital of \$6,115 which exceeded the required net capital by \$1,115.

The Company does not handle cash or securities of customers. Accordingly, it is not affected by SEC Rule 15c3-3.

### **5. New Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU No. 2014-09, Revenue from Contracts with Customers, which creates a new Topic, Accounting Standards Codification (Topic 606). The standard is principle-based and provides a five-step model to determine when and how revenue is recognized. The core principle is that a company should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. This standard is effective for interim or annual periods beginning after December 15, 2017 and allows for either full retrospective or modified retrospective adoption. Early adoption of this standard is not allowed. Management has determined that adoption of Topic 606 will have no impact on the Company's financial statements.

**Fogel Neale Securities, LLC**  
**Computation of Net Capital Under Rule 15c3-1**  
**of the Securities and Exchange Commission**  
**December 31, 2017**

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Member's equity	\$ 373,219
Nonallowable assets	
Due from affiliate	317,104
Other assets	<u>50,000</u>
Total deductions	367,104
Net capital	6,115
Minimum capital requirement (the greater of \$5,000 or 6 2/3% of aggregate indebtedness)	<u>5,000</u>
Excess net capital	<u>\$ 1,115</u>
Aggregate indebtedness	<u>\$ -</u>
Ratio of aggregate indebtedness to net capital	<u>0.00:1</u>

There are no material differences between the computation of net capital presented above and the computation of net capital reported in the Company's unaudited Form X-17A-5, Part IIA filing as of December 31, 2017.

**Fogel Neale Securities, LLC**  
**Computation for Determination of Reserve**  
**Requirements Under Rule 15c3-3 of the**  
**Securities and Exchange Commission**  
**For the Year Ended December 31, 2017**

As the Company does not handle customer cash or securities, it does not have any Reserve or Possession and Control requirements with respect to SEC Rule 15c3-3.

**ARNOLD G. GREENE**

**CERTIFIED PUBLIC ACCOUNTANT**

**65 KINGSBURY ROAD  
GARDEN CITY, N.Y. 11530**

**(516) 742-2198  
FAX (516) 742-5813**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

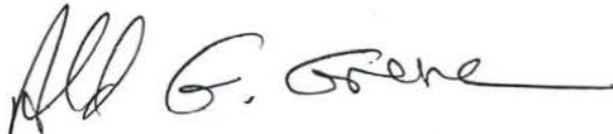
To the Member of  
**FOGEL NEALE SECURITIES, LLC**

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report pursuant to SEC Rule 17a-5, in which (1) Fogel Neale Securities, LLC (the "Company") stated the Company may file an exemption report because it had no obligations under SEC Rule 15c3-3. The Company does not handle cash or securities on behalf of customers and (2) the Company stated that it had no exceptions under SEC Rule 15c3-3 throughout the year ended December 31, 2017. Management is responsible for compliance with 17 C.F.R. §15c3-3(k) 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 the Company's compliance with 17 C.F.R. §15c3-3(k). 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 on the provisions set forth in Rule 15c3-3 under the Securities Exchange Act of 1934.

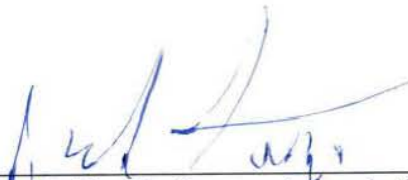
SIGNATURE

A handwritten signature in black ink, appearing to read "Arnold G. Greene", written over a horizontal line.

February 23, 2018

**Fogel Neale Securities, LLC**  
**Statement of Exemption from Rule 15c3-3**  
**December 31, 2017**

Fogel Neale Securities, LLC has no obligations under Rule 15c3-3 since it does not handle cash or securities on behalf of customers. That has been so throughout the fiscal year ending December 31, 2017 without exception. Therefore, the Company is permitted to file this Exemption Report.

  
Executed by the Person who made the oath  
or affirmation under SEC Rule 17a-5(e)(2)