

**NHCohen Capital LLC**  
**Report Pursuant to Rule 17a-5 (d)**  
**Financial Statements**  
**For the Year Ended December 31, 2018**

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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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 01/01/2018 AND ENDING 12/31/2018  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: NHCohen Capital LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

60 East 42nd Street – 46th floor

(No. and Street)

New York

New York

10165

(City)

(State)

(Zip Code)

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

Kristy K. Johnson

(281) 367-0380

(Area Code – Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Alvarez & Associates, Inc.

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

9221 Corbin Avenue, Suite 165 Northridge

California

91324

(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, Kristy K Johnson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of NHCohen Capital LLC, as of December 31, 2018, 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:

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\_\_\_\_\_

\_\_\_\_\_

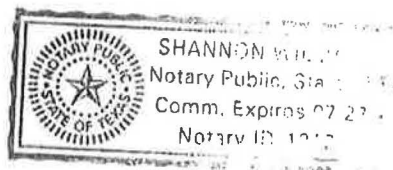
Kristy K Johnson  
Signature

CFO/FINOP

Title

[Signature]

Notary Public



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

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (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).**



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Directors and Equity Owner of NHCohen Capital LLC:

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of NHCohen Capital LLC (the "Company") as of December 31, 2018, the related statement of income and changes in member's equity and statement of 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, 2018, 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.

### Basis for Opinion

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

### Supplemental Information

The information contained in Schedules I, II and III ("Supplemental Information") has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The Supplemental Information is the responsibility of the Company'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, Schedules I, II and III are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Alvarez & Associates, Inc.

We have served as the Company's auditor since 2018.  
Northridge, California  
February 18, 2019

**NHCohen Capital LLC**

**STATEMENT OF FINANCIAL CONDITION  
AS OF DECEMBER 31, 2018**

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**ASSETS**

Cash	\$	214,044
Accounts Receivable		1,500
Prepaid Expenses		<u>20,904</u>

<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>236,448</u></b>
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**LIABILITIES AND MEMBER'S EQUITY**

**LIABILITIES**

Accounts Payable	\$	51,584
Other Tax Liability		<u>29,180</u>
<b>Total Liabilities</b>		<b>80,764</b>

<b>MEMBER'S EQUITY</b>		<b><u>155,684</u></b>
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<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b>\$</b>	<b><u>236,448</u></b>
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**NHCohen Capital LLC**

**STATEMENT OF INCOME AND CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2018**

**INCOME**

Private Placements	<u>729,500</u>
<b>TOTAL INCOME</b>	<b>729,500</b>

**EXPENSES**

Taxes and Licenses	29,570
General and Administrative	4,925
Regulatory Fees	7,646
Professional Fees	64,305
Commission Expense	<u>148,600</u>
<b>TOTAL EXPENSES</b>	<u><b>255,046</b></u>

<b>NET INCOME</b>	<u><u><b>\$ 474,454</b></u></u>
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**MEMBER'S EQUITY**

Beginning of Year	\$ 58,230
Net Income	474,454
Distributions	<u>(377,000)</u>
End of Year	<u><u><b>\$ 155,684</b></u></u>

**NHCohen Capital LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2018**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Net Income	<u>\$ 474,454</u>
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Adjustments to Reconcile Net Income to  
Net Cash Provided by (Used by)  
Operating Activities:

Changes in operating assets and liabilities:

Increase in accounts receivable	(1,500)
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Increase in prepaid expenses	(13,997)
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Increase in accounts payable and other tax liability	<u>80,765</u>
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Total adjustments	<u>65,268</u>
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<b>Net Cash Provided by Operating Activities</b>	<u><b>539,722</b></u>
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Member Distributions	<u>(377,000)</u>
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<b>Net Cash Used in Financing Activities</b>	<u><b>(377,000)</b></u>
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<b>NET INCREASE IN CASH</b>	<b>162,722</b>
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Beginning of Year	<u>51,322</u>
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End of Year	<u><b>\$ 214,044</b></u>
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Supplemental Cash Information:

Interest paid	0
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Income taxes paid	0
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**NHCOHEN CAPITAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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**1. ORGANIZATION AND NATURE OF BUSINESS**

NHCohen Capital LLC (the "Company") was formed as a Delaware Limited Liability Company on April 17, 2014. The Company is a broker-dealer in securities registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company's office is located in New York, New York.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

The Company is engaged as a selling agent of direct participation programs in real estate. These typically consist of private placements offered pursuant to the Regulation D exemption. When the Firm engages in a general solicitation such will be made in conformity with Rule 506(b). The programs are undertaken for the benefit of third party sponsors and such investments are primarily offered to accredited investors that are known to the Firm's registered personnel. All offerings are on a best efforts basis.

**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 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.

**3. NET CAPITAL REQUIREMENTS**

The Company is subject to the SEC Uniform Net Capital Rule (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. The Company had net capital of \$133,280 at December 31, 2018 which was \$127,896 in excess of its required net capital of \$5,384. The Company's net capital ratio was .6 to 1 at December 31, 2018.



## **NHCOHEN CAPITAL LLC**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

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#### **4. LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

During the year ended December 31, 2018, there were no subordinated liabilities to the claims of general creditors. Accordingly, a statement of changes in liabilities subordinated to claims of general creditors has not been included in these financial statements.

#### **5. CONCENTRATION OF CREDIT RISK**

The Company is engaged in brokerage activities in which it engages in investment activities with limited partnerships and limited liability companies throughout the United States. In the event the counterparties do not fulfill their obligations; the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the company's policy to review, as necessary, the credit standing of each counter-party. The Company's financial instruments that are subject to concentrations of credit risk primarily consist of cash. The Company places its cash with one high credit quality institution. At times, such cash may be in excess of the FDIC insurance limits. The Company believes that it is not exposed to any significant risk related to cash.

#### **6. COMMITMENTS AND CONTINGENCIES**

The Company had no commitments, no contingent liabilities and had not been named as a defendant in any lawsuit as of December 31, 2018 or during the year then ended.

#### **7. INCOME TAX**

The Company is treated as a flow-through entity for income tax purposes. As a result, the net taxable income of the Company and any related tax credits, for federal income tax purposes, are deemed to pass to the Parent and are included in the Parent's members' personal tax returns even though such net taxable income or tax credits may not actually have been distributed. Accordingly, no federal tax provision has been made in the financial statements since the income tax is a personal obligation of the individual members of the parent. The Company is subject to state income tax. The Company has recorded provisions for estimated New York margin taxes of \$29,180 for the year ended December 31, 2018 and it is included in Taxes and Licenses on the Statement of Income.

## **NHCOHEN CAPITAL LLC**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

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#### **8. COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS AND INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS PURSUANT TO RULE 15c3-3**

The Company operates under the provisions of Paragraph (k) (2) (i) of Rule 15c3-3 of the SEC and, accordingly, is exempt from the remaining provisions of that Rule. Essentially, the requirements of Paragraph (k)(2)(i) provide that the Company will not hold customer funds or safe keep customer securities. Under these exemptive provisions, the Computation for Determination of Reserve Requirements and the disclosure of Information Relating to Possession or Control Requirements are not required.

During the year ended December 31, 2018, in the opinion of management, the Company has maintained compliance with the conditions for the exemption specified in paragraph(k)(2)(i) of Rule 15c3-3.

#### **9. GUARANTEES**

FASB ASC 460, Guarantees, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index, or the occurrence or nonoccurrence of a specified event) related to an asset, liability or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of indebtedness of others.

The Company has issued no guarantees at December 31, 2018 or during the year then ended.

#### **10. ADOPTION OF ASC TOPIC 606, REVENUE FROM CONTRACTS WITH CUSTOMERS**

On January 1, 2018, the Company adopted ASC Topic 606, Revenue from Contracts with Customers ("Topic 606") using the modified

**NHCOHEN CAPITAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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retrospective method applied to those contracts which were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 are presented under Topic 606, while prior period amounts are not adjusted and continue to be reported in accordance with our historic accounting under Topic 605.

There was no impact to retained earnings as of January 1, 2018, or to revenue for the twelve months ended December 31, 2018, after adopting Topic 606, as revenue recognition and timing of revenue did not change as a result of implementing Topic 606.

**11. REVENUE FROM CONTRACTS WITH CUSTOMERS**

**PERFORMANCE OBLIGATIONS**

Revenue from contracts with customers is recognized when, or as, the Company satisfies its performance obligations by transferring promised goods or services to customers. A good or service is transferred to a customer when, or as, the customer obtains control of that good or service. A performance obligation may be satisfied over time or at a point in time. Revenue from a performance obligation satisfied at a point in time is recognized at the point in time that the Company determines the customer obtains control over the promised good or service. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled in exchange for those promised goods or services.

**PRIVATE PLACEMENT**

Performance obligations in these arrangements vary dependent on the contract, but are typically satisfied upon completion of the arrangement. Placement fees are recognized upon completion of a deal and are generally classified as Private Placement Income.

**NHCOHEN CAPITAL LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2018**

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**12. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

Company management has reviewed the accounting standards updates issued by the FASB that were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year ending December 31, 2018. Based upon this review, the Company has implemented the pronouncements that require adoption (if any) and disclosed them in an appropriate footnote. They have also concluded that the remaining pronouncements have either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

**13. RELATED PARTY TRANSACTIONS**

The Company's Parent absorbs all of the common space expense as long as Company incurs no incremental expense. The Company maintains a separate schedule and records the cost equivalent to what the costs are to operate the Company to suffice SEC 17a-3. All direct expenses are paid directly by the Company.

**14. SUBSEQUENT EVENTS**

The Company has evaluated events subsequent to the Statement of Financial Condition date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there are no events which took place that would have a material impact on its financial statements.

**NHCohen Capital LLC**

**SCHEDULE I**

**COMPUTATION OF NET CAPITAL UNDER SEC RULE 15c3-1**

**AS OF DECEMBER 31, 2018**

**NET CAPITAL**

Total Member's Equity Qualified for Net Capital	\$	155,684
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Less Non-allowable Assets		<u>22,404</u>
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Net Capital	\$	<u>133,280</u>
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AGGREGATE INDEBTEDNESS	\$	<u>80,764</u>
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**NET CAPITAL REQUIREMENT**

Minimum Net Capital Required	\$	<u>5,384</u>
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Excess Net Capital	\$	<u>127,896</u>
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Excess Net Capital at 1000%	\$	<u>126,819</u>
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**RATIO OF AGGREGATE INDEBTEDNESS  
TO NET CAPITAL**

**.6 TO 1**

**Reconciliation of net capital to unaudited FOCUS**

There is a difference of \$69,680 between the computation of net capital under net capital SEC Rule 15c3-1 and the corresponding unaudited FOCUS part IIA.

Net capital per unaudited schedule	\$	202,960
Adjustments:		
Member's equity		<u>(69,680)</u>
Net capital per audited schedule	\$	<u>133,280</u>

**NHCohen Capital LLC**  
**Schedule II - Computation for Determining of Reserve**  
**Requirements Pursuant to Rule 15c3-3**  
**As of December 31, 2018**

A computation of reserve requirements is not applicable to NHCohen Capital LLC as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

*See report of independent registered public accounting firm*

**NHCohen Capital LLC**  
**Schedule III - Information Relating to Possession or Control**  
**Requirements Pursuant to Rule 15c3-3**  
**As of December 31, 2018**

Information relating to possession or control requirements is not applicable to NHCohen Capital LLC as the Company qualifies for exemption under Rule 15c3-3(k)(2)(i).

*See report of independent registered public accounting firm*

**NHCohen Capital LLC**

**Report on Exemption Provisions**

**For the Year Ended December 31, 2018**



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Directors and Equity Owners of NHCohen Capital LLC:

We have reviewed management's statements, included in the accompanying Assertions Regarding Exemption Provisions, in which (1) NHCohen Capital LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which NHCohen Capital LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) NHCohen Capital LLC stated that NHCohen Capital LLC met the identified exemption provisions throughout the year ended December 31, 2018, without exception. NHCohen Capital LLC'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 NHCohen Capital LLC'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 on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Alvarez & Associates, Inc.

Northridge, California  
February 18, 2019

### **NHCohen Capital LLC's Exemption Report**

NHCohen Capital LLC (the "Company") 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. NHCohen Capital LLC claimed an exemption 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3 (k)(2)(i) for the fiscal year ended December 31, 2018.
2. NHCohen Capital LLC met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k)(2)(i) throughout ended year December 31, 2018, without exception.

NHCohen Capital LLC

I, Kristy Johnson, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.



Signature

Chief Financial Officer

Title