

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

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

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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 1/1/2019 AND ENDING 12/31/2019
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: SHOREBRIDGE CAPITAL ADVISORS LLC

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

OFFICIAL USE ONLY

FIRM I.D. NO.

(No and Street)

NEW YORK

NY

10017

(City)

(State)

(Zip Code)

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

JANICE PARISE

(212) 751-4422

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PRAGER METIS CPAS LLC

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

222 MOUNT AIRY ROAD

BASKING RIDGE

NJ

07920

(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

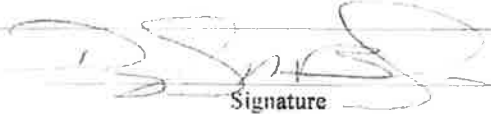
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (11-05)

Potential 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, DOUGLAS BLAGDON, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of SHOREBRIDGE CAPITAL ADVISORS LLC, as of DECEMBER 31, 20 19, 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

CHIEF EXECUTIVE OFFICER

Title


JANICE PARISE
Notary Public, State of New York
No. 41-4008888
Qualified in Queens County
Commission Expires July 9, 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 Cash Flows.
- ☐ (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).

ShoreBridge Capital Advisors LLC

Statement of Financial Condition

**Pursuant to Rule 17a-5 under the Securities Exchange
Act of 1934**

December 31, 2019

ShoreBridge Capital Advisors LLC

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As of December 31, 2019

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Report of Independent Registered Public Accounting Firm

To the Member of
ShoreBridge Capital Advisors LLC

Prager Metis CPAs, LLC

222 MOUNT AIRY ROAD
BASKING RIDGE, NJ 07920

T 908.766.9800
F 908.766.9811

www.pragermetis.com

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of ShoreBridge Capital Advisors LLC (the “Company”) as of December 31, 2019, and the related notes (collectively referred to as the “financial statement”). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of the Company as of December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of ShoreBridge Capital Advisors LLC’s management. Our responsibility is to express an opinion on the Company’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 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 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 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.

Prager Metis CPAs, LLC

We have served as ShoreBridge Capital Advisors LLC’s auditor since 2018.
Prager Metis CPAs, LLC
Basking Ridge, New Jersey
February 20, 2020



An affiliate of Prager Metis International

NORTH AMERICA

EUROPE

ASIA

ShoreBridge Capital Advisors LLC
Statement of Financial Condition
As of December 31, 2019

Assets

Cash	\$	48,223
Prepaid expenses		14,070
Total assets	\$	<u>62,293</u>

Liabilities and Member's Equity

Accounts payable and other accrued expenses	\$	20,951
Due to Parent		3,520
Total liabilities		<u>24,471</u>

Member's equity		37,822
Total Liabilities and Member's Equity	\$	<u>62,293</u>

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

ShoreBridge Capital Advisors LLC

Notes to the Financial Statements

December 31, 2019

1. Organization

ShoreBridge Capital Advisors LLC (the "Company"), is a limited liability company organized under the laws of the state of Delaware on May 12, 2015. The Company is a wholly-owned subsidiary of ShoreBridge Capital Partners LLC (the "Parent"). On February 4, 2016 the Company became a broker-dealer and as such is registered with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA").

The Company's operations consist of private placement of securities, Mergers and Acquisitions, corporate financing, investment advisory services and referral arrangements with investment advisors, pursuant to which the Company will refer prospective customers in return for a finder's fee.

ShoreBridge Capital Advisors LLC does not hold customer funds or securities, therefore it is exempt from the requirement of SEC Rule 15c3-3.

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 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.

Revenue Recognition

Revenue From Contracts With Customers

Revenue from contracts with customers includes fees earned for advisory and placement services pursuant to the terms of individual engagement letters with customers. 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; whether revenue should be presented gross or net of certain costs; and whether constraints on variable consideration should be applied due to uncertain future events.

Advisory fees

The Company provides investment advisory services with relation to the private placement of securities. Generally these services are being provided during the term of the period stated in the customer engagement letter. 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. Fees are received monthly and are recognized over time during the period defined in the terms of the engagement letter as they relate specifically to the services provided in that period, which are distinct from the services provided in other periods.

Placement fees

The Company is contracted to be a placement agent in connection with the private placement of interests in funds managed by the customer. Fee terms for placement fees are stated in the customer engagement letter. The Company records placement revenues at the point in time when the closing of the private placement occurs and the services for the transactions are completed under the terms of each engagement. The Company did not earn placement fees for the year ended December 31, 2019

ShoreBridge Capital Advisors LLC

Notes to the Financial Statements

December 31, 2019

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). This update requires all leases with a term greater than 12 months to be recognized on the statement of financial condition through a right of use asset and a lease liability and the disclosure of key information pertaining to leasing arrangements. This new guidance is effective for years beginning after December 15, 2018, with early adoption permitted. The Company has determined that it does not have any lease obligations and as such ASU 2016-02 has no effect on its financial statements and related disclosures.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. At December 31, 2019 the Company did not have any accounts receivable.

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.

Income Taxes

The Company is a single member limited liability company, and is treated as a disregarded entity for federal income tax reporting purposes. The Internal Revenue Code ("IRC") provides that any income or loss is passed through to the ultimate beneficial individual member for federal, state and certain local income taxes. Accordingly, the Company has not provided for income taxes. Management confirms that no election was made as of the date of the financial statements for the Company to be taxed as a corporation. The Parent is taxed as a partnership and files a consolidated tax return.

The Company is a single member limited liability company and accordingly, no provision has been made in the accompanying financial statement for any federal, state, or city income taxes. The Company's sole member is subject to New York City Unincorporated Business Tax ("UBT"), but the Company is a disregarded entity for tax purposes. All revenue and expenses retain their character and pass directly to the Parent's income tax returns. Based on an analysis of the operations of the Broker Dealer since there was a net loss it was determined that there was no UBT tax provision required.

At December 31, 2019, management has determined that the Company had no uncertain tax positions that would require financial statement recognition. This determination will always be subject to ongoing reevaluation as facts and circumstances may require. The Company's tax preparers reviewed the Company's tax position and the results from operations and as a result of this review, the Company has determined there were no uncertain tax positions.

3. Transactions with Related Parties

During 2016, the Company entered into an Expense Sharing Agreement ("ESA") with its Parent whereby the Parent is to provide office and administrative services to the Company. The ESA had a term of one year and is automatically renewed annually, unless terminated or modified by written notice. During 2017, the Company amended its ESA as such that the Company is now incurring and recording its proportionate share of expenses in relation to activities performed by the Parent for the benefit of the Company. At December 31, 2019 the Due to Parent balance was \$3,520.

ShoreBridge Capital Advisors LLC

Notes to the Financial Statements

December 31, 2019

The terms of these arrangements may not be the same as those that would otherwise exist or result from agreements and transactions among unrelated parties.

In 2017 the Company's Parent formed a new wholly owned subsidiary, ShoreBridge Capital Management, LLC. That entity has since registered with the SEC as an investment advisor.

The subsidiary provides investment advisory services to two funds. Those funds have each engaged the Company for the placement of interests in the respective funds. That relationship is not subject to compensation to the Company.

4. Concentrations

Cash held by financial institutions which exceed the Federal Deposit Insurance Corporation ("FDIC") limits of \$250,000 expose the Company to concentrations of credit risk. Balances throughout the year usually exceed the maximum coverage provided by the FDIC on insured depositor accounts.

5. Member's Equity

For the period ended December 31, 2019, the Company received \$70,000 in cash contributions and recorded \$116,239 in capital contributions representing forgiveness of the intercompany payable to the Parent for the Company's share of its expenses provided for in the amended ESA. The Company did not make any distributions.

6. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of a minimum amount of net capital and requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. Under Rule 15c3-1, the Company is required to maintain a minimum net capital, equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness. At December 31, 2019, the Company had regulatory net capital of \$23,752 which was \$18,752 above the required net capital of \$5,000. The Company's ratio of aggregate indebtedness to regulatory net capital was 1.03 to 1 at December 31, 2019.

7. Commitments and Contingencies

The Parent of the Company is the named lessor of the Company's office space, therefore there are no commitments to the Company for the office lease. As of December 31, 2019, there were no claims or lawsuits brought by or against the Company.

8. 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 the indebtedness of others.

The Company has issued no guarantees at December 31, 2019 or during the year then ended.

ShoreBridge Capital Advisors LLC
Notes to the Financial Statements
December 31, 2019

9. Subsequent Events

Management of the Company evaluated and noted no subsequent events or transactions that occurred from January 1, 2020 through February 20, 2020, the date these financial statements were issued, that would require recognition or disclosure in the financial statements.