

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

CONFIDENTIAL

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
8-69692

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: Farvahar Capital LLC

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

590 Madison Ave, 21st Floor

OFFICIAL USE ONLY

FIRM I.D. NO.

	(No. and Street)	
<u>New York</u>	<u>N.Y.</u>	<u>10022</u>
(City)	(State)	(Zip Code)

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

J. Clarke Gray

917-238-1263

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Raich Ende Malter & Co. LLP

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

<u>1375 Broadway</u>	<u>New York</u>	<u>N.Y.</u>	<u>10018</u>
(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, J. Clarke Gray, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Farvahar Capital 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:

MICAH TAYLOR
NOTARY PUBLIC-STATE OF NEW YORK
No. 02TA6126117
Qualified In New York County
My Commission Expires 12-15-2021

J. Clarke Gray
Signature
CFO
Title

M T
Notary Public

3/12/2021

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).**

FARVAHAR CAPITAL LLC

**FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2020**

**(Filed Pursuant to Rule 17a-5 Under the Securities Exchange Act of 1934)
CONFIDENTIAL TREATMENT REQUESTED**

FARVAHAR CAPITAL LLC
CONTENTS

Report of Independent Registered Public Accounting Firm	1
--	----------

FINANCIAL STATEMENTS

Statement of Financial Condition	2
Statement of Operations	3
Statement of Changes in Member's Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6-10

SUPPLEMENTAL INFORMATION

Schedule I: Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	11
Schedule II: Exemptive Provision Under Rule 15c3-3 of the Securities and Exchange Commission	12

MANAGEMENT STATEMENT REGARDING COMPLIANCE WITH EXEMPTIVE PROVISIONS OF SEC RULE 15c3-3

Report of Independent Registered Public Accounting Firm	13
Management Statement Regarding Compliance With Exemptive Provisions of SEC Rule 15c3-3	14

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of
Farvahar Capital LLC
New York, New York

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Farvahar Capital LLC as of December 31, 2020, 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 Farvahar Capital LLC as of December 31, 2020, 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 Farvahar Capital LLC's management. Our responsibility is to express an opinion on Farvahar Capital LLC'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 Farvahar Capital 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.

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 on pages 11 and 12 has been subjected to audit procedures performed in conjunction with the audit of Farvahar Capital LLC's financial statements. The supplemental information is the responsibility of Farvahar Capital LLC'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 on pages 11 and 12 is fairly stated, in all material respects, in relation to the financial statements as a whole.

Raich Ende Malter & Co LLP

RAICH ENDE MALTER & CO. LLP

We have served as Farvahar Capital LLC's, formerly known as ClaritySpring Securities LLC, auditor since 2016.
New York, New York
March 12, 2021



PrimeGlobal

An Association of
Independent Accounting Firms

FARVAHAR CAPITAL LLC
Statement of Financial Condition
December 31, 2020

ASSETS:

Cash	<u>\$ 2,293,756</u>
 TOTAL ASSETS	 <u><u>\$ 2,293,756</u></u>

LIABILITIES AND MEMBER'S EQUITY:

LIABILITIES:

Accounts payable and accrued expenses	\$ 13,571
Payable to parent	<u>5,000</u>
 TOTAL LIABILITIES	 18,571

Member's Equity	<u>2,275,185</u>
-----------------	------------------

 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u><u>\$ 2,293,756</u></u>
---	--------------------------------

FARVAHAR CAPITAL LLC
Statement of Operations
For the Year Ended December 31, 2020

REVENUE

Fees	<u>\$ 4,234,509</u>
Total revenue	<u>4,234,509</u>

EXPENSES

Commissions	994,610
Guaranteed payment	876,600
Professional fees	55,016
Compliance	20,000
Regulatory	19,536
Insurance	1,439
Other	<u>610</u>
Total Expenses	<u>1,967,811</u>

Net Income	<u><u>\$ 2,266,698</u></u>
------------	----------------------------

FARVAHAR CAPITAL LLC
Statement of Changes in Member's Equity
For the Year Ended December 31, 2020

Balance at January 1, 2020	\$ 8,487
Net income	<u>2,266,698</u>
Balance at December 31, 2020	<u>\$ 2,275,185</u>

FARVAHAR CAPITAL LLC
Statement of Cash Flows
For the Year Ended December 31, 2020

Cash flows from operating activities:

Net income \$ 2,266,698

Adjustments to reconcile net income to net cash provided by
operating activities:

Changes in operating assets and liabilities:

(Increase) decrease in operating assets:

Prepaid expenses 654

Increase (decrease) in operating liabilities:

Accounts payable and accrued expenses 10,651

Payable to parent 5,000

Net cash provided by operating activities \$ 2,283,003

Net increase in cash 2,283,003

Cash at January 1, 2020 10,753

Cash at December 31, 2020 \$ 2,293,756

FARVAHAR CAPITAL LLC
Notes to Financial Statements
December 31, 2020

Note 1 - Nature of Business and Summary of Significant Accounting Policies

Nature of Business:

Omeed Malik Advisors LLC acquired a broker dealer that was originally organized on August 11, 2015 as a Delaware LLC. The acquired broker dealer was renamed to Farvahar Capital LLC (the "Company") on January 10, 2019 with the sole member as Omeed Malik Advisors LLC (the "Parent"). It commenced operations as a broker/dealer on February 18, 2017, the date it was approved as a broker/dealer and registered with the Securities and Exchange Commission ("SEC"). The Company is a member of FINRA and the Securities Investor Protection Corporation ("SIPC"). The Company advises its customers in raising capital through its distribution channels and commercial operations.

The Company does not hold customer funds or securities and accordingly, is not subject to the provisions of Rule.15c3-3. Under these conditions the Computation for Determination of Reserve Requirements and Information Relating to the Possession and Control Requirements are not required.

Significant Accounting Policies:

Basis of Presentation

The accompanying financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Use of Estimates

The preparation of financial statements in conformity with US GAAP 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.

FARVAHAR CAPITAL LLC
Notes to Financial Statements
December 31, 2020

Note 1 - Nature of Business and Summary of Significant Accounting Policies(continued)

Revenue Recognition

The Company generates fee revenue for advising its clients on capital raising and on the private placement of the capital. The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine when performance obligations are satisfied at a point in time or over time; when to recognize revenue based on the appropriate measure of the Company's progress under the contract; rewards of ownership have been transferred to/from the customer and whether constraints on variable consideration should be applied due to uncertain future events. Management believes that the performance obligation is satisfied on the closing date of a placement of securities because that is when the underlying financial instrument is identified, the pricing is agreed upon and the risks and rewards of ownership have been transferred to/from the customer. If retainers or other fees are received from customers before revenue is recognized the Company will record a contract liability until the revenue can be recognized. The Company's services that fall within the scope of ASC 606 are presented within the Revenue section of the Statement of Operations and are recognized as revenue as the Company satisfies its obligation to the customer.

Cash and Cash Equivalents

The Company has defined cash equivalents as highly liquid investments with original maturities of 90 days or less at the time of purchase. The Company did not have any cash equivalents at December 31, 2020.

Credit Risk

The Company's cash is placed with a highly rated financial institution and the Company conducts ongoing evaluations of the credit worthiness of the financial institution with which it does business. At certain times cash balances in the bank account may exceed federally insured limits of \$250,000 of the Federal Deposit Insurance Corporation. At December 31, 2020 the Company exceeded federally insured limits by \$2,043,756.

FARVAHAR CAPITAL LLC
Notes to Financial Statements
December 31, 2020

Note 1 - Nature of Business and Summary of Significant Accounting Policies(continued)

Credit Losses

Effective January 1, 2020, the Company adopted ASC Topic 326, Financial Instruments – Credit Losses (“ASC 326”). ASC 326 impacts the impairment model for certain financial assets by requiring a current expected credit loss (“CECL”) methodology to estimate expected credit losses over the entire life of the financial asset. Under the accounting update, the Company has the ability to determine that there are no expected credit losses in certain circumstances (e.g., based on the credit quality of the customer).

The Company identified fees receivables as impacted by the new guidance. ASC 326 specifies that the Company adopt the new guidance prospectively by means of a cumulative-effect adjustment to the opening member’s equity as of January 1, 2020. According, the Company recognized no adjustment upon adoption.

The Company did not have any accounts receivable at December 31, 2020.

Note 2 - Net Capital Requirements

The Company is registered with the SEC. The Company does not carry customer accounts and does not accept customer funds or securities.

The Company is subject to the SEC Uniform Net Capital Rule (SEC 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, both as defined, shall not exceed 15 to 1.

At December 31, 2020, the Company had net capital of \$2,275,185, which was \$2,270,185 in excess of its net capital requirement of \$5,000. The percentage of aggregate indebtedness to net capital is 0.82%.

Note 3 - Income Taxes

The Company is a single-member limited liability company. The Company is considered to be a disregarded entity for tax reporting purposes and is not subject to federal and state income taxes and does not file income tax returns in any jurisdiction. All items of taxable income or expense are reported on the member’s tax return. The Company may be subject to New York City Unincorporated Business Tax (“NYCUBT”) however, the member of the Parent also reports any income derived from New York City source income that may be subject to NYCUBT on his personal tax return.

FARVAHAR CAPITAL LLC
Notes to Financial Statements
December 31, 2020

Note 3 - Income Taxes(continued)

The Company applies the provisions of ASC 740 “Income Taxes” as they relate to uncertain tax positions. The Company was not required to recognize any amounts from uncertain tax positions as of December 31, 2020.

The Company’s conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. In the event that tax authorities assess interest and penalties on unrecognized tax benefits, the Company will reflect such amounts in tax expense and income taxes payable.

Note 4 - Related Party Transactions

The Company has entered into an expense sharing agreement (the “Agreement”) with its Parent as of January 10, 2019 whereby certain expenses related to the business of the Company will be borne by the Parent as follows: rent, telephone, and travel. All other expenses related to the business will be borne by the Company. The Agreement shall be terminated upon the cessation of the Company’s commercial operations. In accordance with the Agreement, the Company does not have an obligation, direct or indirect, to reimburse or otherwise compensate the Parent for any or all costs that the Parent has paid on behalf of the Company.

For the year ended December 31, 2020 the Parent paid \$2,245 related to those expenses and there is \$5,000 payable to the Parent as of December 31, 2020.

Note 5 - Commitments and Contingencies

In the normal course of its operations, the Company enters into contracts and agreements that contain indemnifications and warranties. The Company’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Company that have not yet occurred. However, the Company has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

Note 6 - COVID-19

The World Health Organization characterized the outbreak of the novel coronavirus (“COVID-19”) as a global pandemic on March 11, 2020. COVID-19 continues to adversely impact global and domestic commercial activity and has contributed to significant volatility in financial markets.

FARVAHAR CAPITAL LLC
Notes to Financial Statements
December 31, 2020

Note 6 - COVID-19(continued)

The Company's business operations and revenue sources have not been significantly impacted by COVID-19. However, if the financial markets and/or the overall economy are impacted for an extended period, the Company's future financial results may be materially adversely affected.

Note 7 - Subsequent Events

Management has evaluated the Company's events and transactions that occurred subsequent to December 31, 2020, through March 12, 2021, the date the financial statements were available to be issued.

FARVAHAR CAPITAL LLC
Supplemental Information
Schedule I
Computation of Net Capital Under Rule 15c3-1
Of the Securities And Exchange Commission
December 31, 2020

Computation of Net Capital

Total member's equity qualified for net capital		\$2,275,185
Total deductions and/or charges		<u>-</u>
Net capital before haircuts on securities		2,275,185
Haircuts on securities		<u>-</u>
Net Capital		\$2,275,185
Computation of basic net capital requirement		
Minimum net capital required (greater of \$5,000 or 6.67% of aggregate indebtedness)		<u>\$ 5,000</u>
Net capital in excess of minimum requirement		<u><u>\$2,270,185</u></u>
Aggregate indebtedness:		
Accounts payable and accrued expenses	\$13,571	
Payable to parent	<u>5,000</u>	
		<u><u>18,571</u></u>
Percentage of aggregate indebtedness to net capital		<u><u>0.82%</u></u>

There are no material differences from the Net Capital calculation shown above and the unaudited calculation filed with the Company's Part IIa Form X17a-5 report as of December 31, 2020.

FARVAHAR CAPITAL LLC
Supplemental Information
Schedule II
Exemptive Provision Under Rule 15c3-3
of the Securities and Exchange Commission
December 31, 2020

The Company does not hold customer funds or securities and accordingly, is exempt from the provisions of Rule 15c3-3 of the Securities and Exchange Commission as of December 31, 2020.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of
Farvahar Capital LLC
New York, New York

We have reviewed management's statements, included in the accompanying Management Statement Regarding Compliance with the Exemptive Provision of SEC Rule 15c3-3, in which (1) Farvahar Capital LLC 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 private placements and effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, and (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 year without exception. Farvahar 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 Farvahar 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 reliance on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 and Rule 15c3-3 under the Securities Exchange Act of 1934.

Raich Ende Malter & Co LLP

RAICH ENDE MALTER & CO. LLP
New York, New York
March 12, 2021



FARVAHAR CAPITAL LLC

March 12, 2021

Securities and Exchange Committee
100 F Street, NE
Washington, DC 20549

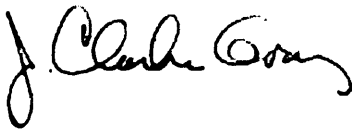
To whom it may concern:

Farvahar 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) 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 (1) private placements and (2) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, and (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.

I, J. Clarke Gray, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

Regards,



J. Clarke Gray

Chief Financial Officer
March 12, 2021

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON
APPLYING AGREED-UPON PROCEDURES**

To the Member of
Farvahar Capital LLC
New York, New York

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below and were agreed to by Farvahar Capital LLC and the SIPC, solely to assist you and SIPC in evaluating Farvahar Capital LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2020. Farvahar Capital LLC's management is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed, and our findings are as follows:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
- 2) Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2020 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2020, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Farvahar Capital LLC's compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Farvahar Capital LLC and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

Raich Ende Malter & Co LLP

RAICH ENDE MALTER & CO. LLP
New York, New York
March 12, 2021



PrimeGlobal

An Association of
Independent Accounting Firms