

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

ANNUAL REPORTS
FORM X-17A-5
PART III

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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 1/1/2023 AND ENDING 12/31/2023
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: ENERECAP PARTNERS, LLC

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

1718 Peachtree Street, NW, Suite 900

(No. and Street)

Atlanta

GA

30309

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Brian Megenity

(770) 263-6003

bmegenity@bdcaonline.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Ohab And Company, PA

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

100 E Sybelia Ave., Suite 300

Maitland

FL

32751

(Address)

(City)

(State)

(Zip Code)

July 28, 2004

1839

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

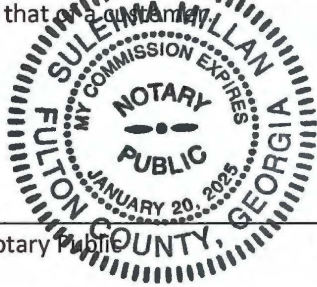
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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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, Christopher Edmonds, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of ENERECAP PARTNERS, LLC, as of 12/31, 2023, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



Notary Public

Signature:

Title:
CEO

This filing** contains (check all applicable boxes):

- ☒ (a) Statement of financial condition.
- ☐ (b) Notes to consolidated 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' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☒ (g) Notes to consolidated financial statements.
- ☒ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☒ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☒ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☒ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: _____

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

ENERECAP PARTNERS, LLC
Financial Statements
For the Year Ended
December 31, 2023
With
Report of Independent Registered Public Accounting Firm



hab and Company, P.A.

100 E. Sybelia Ave. Suite 130
Maitland, FL 32751

Certified Public Accountants
Email: pam@ohabco.com

Telephone 407-740-7311
Fax 407-740-6441

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members
of Enerecap Partners, LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Enerecap Partners, LLC as of December 31, 2023, 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 Enerecap Partners, LLC as of December 31, 2023, 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 Enerecap Partners, LLC's management. Our responsibility is to express an opinion on Enerecap Partners, 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 Enerecap Partners, 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 Schedule I has been subjected to audit procedures performed in conjunction with the audit of Enerecap Partners, LLC's financial statements. The supplemental information is the responsibility of Enerecap Partners, 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 Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.

O'hab and Company, P.A.

We have served as Enerecap Partners, LLC's auditor since 2013.

Maitland, Florida

March 22, 2024

Enerecap Partners, LLC
Statement of Financial Condition
As of December 31, 2023

Assets

Cash	\$ 60,967
Prepaid expenses	<u>390</u>

Total assets	<u>\$ 61,357</u>
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Liabilities and member's equity

Liabilities

Accounts payable and accrued expenses (related party)	\$ 25,176
Due to Parent	5,675
Accrued Expenses	4,000
Other	<u>100</u>

Total liabilities	<u>34,951</u>
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Member's equity	<u>26,406</u>
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Total liabilities and member's equity	<u>\$ 61,357</u>
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See notes to financial statements.

Enerecap Partners, LLC
Statement of Operations
For the Year Ended December 31, 2023

Revenue

Interest income	\$ 50
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Total Revenue	<u>50</u>
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Expenses

Services agreement expense (related party)	12,720
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Professional fees	18,775
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Other	<u>2,048</u>
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Total Expenses	<u>33,543</u>
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Net loss	<u><u>\$ (33,493)</u></u>
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See notes to financial statements.

Enerecap Partners, LLC
Statement of Changes in Member's Equity
For the Year Ended December 31, 2023

Balance at December 31, 2022	\$ 35,399
Contribution	24,500
Net loss	<u>(33,493)</u>
Balance at December 31, 2023	<u><u>\$ 26,406</u></u>

See notes to financial statements.

Enerecap Partners, LLC
Statement of Cash Flows
For the Year Ended December 31, 2023

Cash flows from operating activities:

Net loss	\$ (33,493)
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Adjustments to reconcile net loss to net cash used
by operating activities:

Changes in assets and liabilities:

Increase in prepaid expenses	(390)
Increase in other liabilities	100
Increase in accounts payable and accrued expenses	16,720
Decrease in due to Parent	<u>(7,403)</u>

Net cash used by operating activities	<u>(24,466)</u>
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Cash flows from financing activities:

Contribution	<u>24,500</u>
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Net cash provided by financing activities	<u>24,500</u>
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Net decrease in cash	34
Cash at beginning of year	<u>60,933</u>

Cash at end of year	<u><u>\$ 60,967</u></u>
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SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest	\$ -
Cash paid for taxes	<u><u>-</u></u>

See notes to financial statements.

ENERECAP PARTNERS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Note 1

Organization and Summary of Significant Accounting Policies

Organization and Description of Business

In accordance with the Purchase and Sale Agreement ("PSA") dated August 15, 2012, and executed by and between CSG Holdings, LLC ("Holdings") and ERC Holding Corp. ("ERC"), a Delaware corporation, ERC owns 100% of the membership interests of the Company effective January 1, 2013.

During January 2013 the Name was changed from Commerce Square Trading, LLC to Enerecap Partners, LLC (the "Company"). The company is a broker-dealer registered with the securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA). The Company is a Delaware corporation formed on December 31, 2008 and is a wholly-owned subsidiary of ERC Holding Corp. (the "Parent").

The Company, upon closing of the above-referenced acquisition, has not initiated new revenue activities. Some revenue was received during 2021 and years prior attributable to legacy trail fees from hedge funds and commissions received from 12b-1 fees as a result of the activities that occurred prior to the purchase by ERC. However, the Company did not receive any legacy trail fees from hedge funds or commissions received from 12b-1 fees during 2023. The Company has been approved for proprietary research, although no revenue was generated or recognized during 2023.

Reserves and Custody of Securities

The Company currently does not have any customer accounts or custody of any customer assets.

Commission Revenue

The Company earns revenue from legacy trail fees from hedge funds and 12b-1 fees, both of which are related to performance obligations that have been satisfied in prior periods.

Recently Adopted Accounting Guidance

Effective January 1, 2018, the Company adopted ASU 2014-09, which provides guidance on the recognition of revenues from contracts and requires gross presentation of certain contract costs. This change was applied prospectively from January 1, 2018, and there was no impact on our previously presented results. The adoption of the new revenue standard resulted in no change to beginning members' equity.

Income Taxes

The Company's income or loss is reported on the Member's S Corporation income tax return. Accordingly, the financial statements do not include a provision for income taxes.

Under the provisions of FASB Accounting Standards Codification 740-10, Accounting for Uncertainty in Income Taxes, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority

ENERECAP PARTNERS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Note 1 **Organization and Summary of Significant Accounting Policies (continued)**

Income Taxes (continued)

examines the respective position. A tax position includes an entity's status and the decision not to file a return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

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, liabilities, revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, the Company considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash balances in excess of FDIC and similar insurance coverage are subject to the usual banking risks associated with funds in excess of those limits. At December 31, 2023, the Company had no uninsured cash balances.

Note 2 **Financial Instruments and Concentration of Risk**

Financial instruments subject to risk concentration is cash. The Company maintains depository cash with one banking institution. Depository accounts are insured by the Federal Depository Insurance Corporation ("FDIC") to a maximum of \$250,000 per bank, per depositor.

Note 3 **Contingencies**

The Company is subject to litigation in the normal course of business. The Company had no litigation matters during 2023.

Note 4 **Net Capital Requirements**

The Company, as a registered broker dealer is subject to the Securities and Exchange Commission 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. At December 31, 2023, the Company had net capital of \$26,016, which was \$21,016 in excess of its required net capital of \$5,000 and its ratio of aggregate indebtedness to net capital was 1.34 to 1.00.

Note 5 **Related Party Transactions**

The Company is wholly owned by ERC Holding Corp; The Parent assumes responsibility for all income tax liabilities.

During the year ended December 31, 2023, pursuant to a Services agreement between the Company and the Parent, the Company recorded an administrative fee expense of \$12,720.

ENERECAP PARTNERS, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

Note 5 **Related Party Transactions (continued)**

The amount due to the Parent as of December 31, 2023 was \$5,675 relating to expenses recorded by the Company and paid by the Parent. Expenses paid by the parent in addition to the administrative fees were \$17,097 for the year ended December 31, 2023 and are included in various expenses in the statement of operations.

Financial position and results of operations could differ from the amounts in the accompanying financial statements if these related party transactions did not exist.

Note 6 **Subsequent Events**

The Company has performed an evaluation of subsequent events through the date the financial statements were issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.

Note 7 **Net Loss**

The Company incurred a loss during the year ended December 31, 2023. The Company's Member has represented that it intends to make capital contributions, as needed, to ensure the Company's survival through at least one year subsequent to the date of the report of the independent registered public accounting firm.

Management expects the Company to continue as a going concern and the accompanying financial statements have been prepared on a going-concern basis without adjustments for realization in the event that the Company ceases to continue as a going concern.

SUPPLEMENTAL INFORMATION

Schedule I

Enerecap Partners, LLC
Computation of Net Capital
Pursuant to Rule 15c3-1 of the Securities and Exchange Commission
December 31, 2023

Computation of Net Capital

Total member's equity	\$ 26,406
Deduction for non-allowable assets	
Prepaid expenses	390
Total non-allowable assets	390
Net capital before haircuts	26,016
Less haircuts	-
Net capital	26,016
Aggregate indebtedness	34,951
Minimum net capital required (greater of \$5,000 or 6 2/3% of aggregate indebtedness)	5,000
Excess Net Capital	\$ 21,016
Ratio of aggregate indebtedness to net capital	1.34 to 1.00

**Reconciliation with Company's Computation of Net Capital included in Part IIA of
Form X-17A-5 as of December 31, 2023:**

There is no significant difference between net capital as computed above and net capital as reported on Part IIA of Form X-17A-5 as of December 31, 2023.

ENERECAP PARTNERS, LLC
SCHEDULE II
COMPUTATION FOR DETERMINATION OF RESERVE
REQUIREMENTS UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION
AS OF DECEMBER 31, 2023

With respect to the Computation for Determination of Reserve Requirements under Rule 15c3-3, the Company does not claim an exemption from Rule 15c3-3 in reliance upon Footnote 74 of SEC Release No. 34-70073 dated July 30, 2013, and as discussed in Question 8 of the related FAQ released by SEC staff on April 4, 2014. The Company does not hold customer funds or securities.

SCHEDULE III
INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION AS OF DECEMBER 31, 2023

With respect to the Information Relating to Possession or Control Requirements under Rule 15c3-3, the Company does not claim an exemption from Rule 15c3-3 in reliance upon Footnote 74 of SEC Release No. 34- 70073 dated July 30, 2013, and as discussed in Question 8 of the related FAQ released by SEC staff on April 4, 2014. The Company does not hold customer funds or securities.



Ohab and Company, P.A.

100 E. Sybelia Ave. Suite 130
Maitland, FL 32751

Certified Public Accountants
Email: pam@ohabco.com

Telephone 407-740-7311
Fax 407-740-6441

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members
of Enerecap Partners, 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) Enerecap Partners, LLC (the Company) did 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 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, receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients, referring securities transactions to other broker-dealers, or providing technology or platform services, participating in distributions of securities (other than firm commitment underwritings). In addition, the Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

Enerecap Partners, LLC's management is responsible for compliance with the provisions contemplated by Footnote 74 of SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 and related SEC Staff Frequently Asked Questions 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 Enerecap Partners, 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 upon the Company's business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, and related SEC Staff Frequently Asked Questions.

Ohab and Company, P.A.

Ohab and Company, PA

Maitland, Florida

March 22, 2024

Enerecap Partners, LLC
Exemption Report

Enerecap Partners, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the U.S. 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 CFR §240 15c3-3; and
- (2) The Company is filing this Exemption Report relying on Footnote 74 of the U.S. Securities and Exchange Commission Release No. 34-70073 adopting amendments to 17 CFR §240.17a-5 because the Company limits its business activities exclusively to (a) 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; (b) receiving transaction-based compensation for identifying potential merger and acquisition opportunities for clients, referring securities transactions to other broker-dealers, or providing technology or platform services; (c) participating in distributions of securities (other than firm commitment underwritings) in accordance with the requirements of paragraphs (a) or (b)(2) of Rule 15c2-4; and the Company (a) did not directly or indirectly receive, hold or otherwise owe funds or securities for or to customers (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company); (b) did not carry accounts of or for customers; and (c) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

Enerecap Partners, LLC

I, Christopher S. Edmonds, swear (or affirm) that, to the best of my knowledge and belief, this Exemption Report is true and correct.



Christopher S. Edmonds
Chief Executive Officer

March 12, 2024