

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 01/01/21 AND ENDING 12/31/21  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Register Financial Associates, Inc.

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.)

3500 Lenox Road, Suite 1700

(No. and Street)

Atlanta

GA

30326

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Scott Register

404-364-2180

sregister@registerfinancial.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

Rubio CPA P.C.

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

2727 Paces Ferry Road SE, Bldg 2, Ste 1680

Atlanta

GA

30339

(Address)

(City)

(State)

(Zip Code)

05/05/2009

3514

(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, Scott Register, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Register Financial Associates, Inc., as of December 31, 2021, 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: Principal

### 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.**

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**Financial Statements**  
**For the Year Ended**  
**December 31, 2021**  
**With**  
**Report of Independent Registered Public Accounting Firm**

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders of  
Register Financial Associates, Inc.

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Register Financial Associates, Inc. (the "Company") as of December 31, 2021, the related statements of operations, changes in stockholders' equity, and cash flows for the year then ended and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, 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 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement to 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 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 information in Schedules I, II and III 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 accompanying schedules. In forming our opinion on the accompanying schedules, 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 aforementioned supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have served as the Company's auditor since 1993.

February 25, 2022  
Atlanta, Georgia

  
Rubio CPA, PC

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**December 31, 2021**

ASSETS

Cash	\$ 17,578
Securities owned	1,438,044
Receivable from clearing broker-dealer	674,406
Accounts receivable	120,433
Furniture and office equipment, at cost, less accumulated depreciation of \$505,241	8,036
Deposit with clearing broker	30,357
Right-of-Use asset	1,425,443
Other assets	<u>107,693</u>
 Total assets	 <u><u>\$ 3,821,990</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Accounts payable and accrued expenses	\$ 41,763
Commissions payable	237,425
Accrued retirement plan contribution	20,000
Lease liability	<u>1,425,443</u>
 Total liabilities	 <u>1,724,631</u>

STOCKHOLDERS' EQUITY

Common stock, \$1 par value, 20,000 shares authorized, 918 shares issued and outstanding	918
Additional paid-in capital	978,922
Retained earnings	<u>1,117,519</u>
Total stockholders' equity	<u>2,097,359</u>
 Total liabilities and stockholders' equity	 <u><u>\$ 3,821,990</u></u>

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

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**STATEMENT OF OPERATIONS**  
**For The Year Ended December 31, 2021**

REVENUES	
Commissions	\$ 2,852,846
Referral Fees	1,013,018
Mutual Fund and 12B-1 Fees	403,627
Dividend Income	27,519
Interest Income	90,309
Forgiveness of PPP loan	323,900
Other	54,106
Gains from investments, net	<u>347,604</u>
	5,112,929
EXPENSES	
Commissions, compensation and benefits	3,023,936
Clearing costs	114,747
Occupancy and equipment	262,441
Technology and communications	165,974
Other	<u>366,890</u>
	<u>3,933,988</u>
NET INCOME	<u>\$ 1,178,941</u>

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

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income	\$ 1,178,941
Noncash items included in net income:	
Depreciation	5,680
Forgiveness of PPP loan	(323,900)
Adjustments to reconcile net income to net cash provided by operations:	
Decrease in receivable from clearing broker-dealer	385,970
Increase in securities owned	(626,096)
Decrease in accounts receivable	35,690
Decrease in due from related party	6,574
Increase in right-of-use asset	(1,003,421)
Increase in other assets	(18,203)
Decrease in accounts payable and accrued expenses	(24,030)
Decrease in commissions payable	(28,670)
Increase in lease liability	<u>958,535</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>547,070</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Distributions	<u>(550,000)</u>
NET CASH (USED) BY FINANCING ACTIVITIES	<u>(550,000)</u>
NET (DECREASE) IN CASH	( 2,930)
CASH	
Beginning of year	<u>20,508</u>
End of year	<u><u>\$ 17,578</u></u>

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



**REGISTER FINANCIAL ASSOCIATES, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**For the Year Ended December 31, 2021**

	<u>Common Stock</u>	<u>Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance December 31, 2020	\$ 918	\$978,922	\$ 488,578	\$1,468,418
Distributions			(550,000)	(550,000)
Net Income	-	-	1,178,941	1,178,941
Balance December 31, 2021	<u>\$ 918</u>	<u>\$978,922</u>	<u>\$1,117,519</u>	<u>\$2,097,359</u>

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

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Description of Business: The Company is engaged in a single line of business as a broker-dealer. The Company was organized under the laws of the state of Georgia in 1992. The Company is registered with the Securities and Exchange Commission, the Financial Industry Regulatory Authority and the securities commissions of appropriate states. The Company's primary business is brokerage of publicly traded securities and investment advisory services.

Cash: The Company maintains its demand deposits in high credit quality financial institutions. Balances at times may exceed federally insured limits.

Securities Owned: Investments in securities owned consisted of common stocks at December 31, 2021. The securities owned are valued at market value. The resulting difference between cost and market (or fair value) is included in income. Proprietary securities transactions are recorded on the trade date, as if they had settled.

Furniture and Office Equipment: Furniture and office equipment are recorded at cost. Depreciation is provided by use of straight-line methods over the estimated useful lives of the respective assets. Maintenance and repairs are charged to expense as incurred; major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

Income Taxes: The Company has elected S corporation status whereby the income or losses of the Company flow through to and are taxable to its stockholders.

The Company has adopted the provisions of FASB Accounting Standards Codification 740-10 (ASC 740-10), Accounting for Uncertainty in Income Taxes. Under ASC 740-10, 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 examines the respective position. A tax position includes an entity's status, including its status as an S corporation, and the decision not to file a tax return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Accounts Receivable: Accounts receivable are non-interest-bearing uncollateralized obligations receivable in accordance with the terms agreed upon with each customer. The Company regularly reviews its accounts receivable for any uncollectible amounts. The review for uncollectible amounts is based on an analysis of the Company's collection experience, customer credit worthiness and current economic trends. Based on management's review of accounts receivable, no allowance for credit losses was deemed necessary.



**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Date of Management's Review: Subsequent events were evaluated through the date the financial statements were issued.

NOTE B – REVENUE RECOGNITION

The Company has adopted ASU 2014-09 Revenue from Contracts with Customers and all subsequent amendments to the ASU (collectively, "ASC 606"), which creates a single framework for recognizing revenue from contracts with customers that fall within its scope.

Revenue is measured based on consideration specified in a contract with a customer. The Company recognizes revenue when it satisfies a performance obligation by transferring control over goods or service to a customer. Services within the scope of ASC 606 include,

- Commissions
- Investment banking M&A advisory fees
- Mutual fund and 12b-1 fees
- Referral fees

Revenue from Contracts with Customers:

*Commissions:*

The Company buys and sells securities on behalf of its customers. Each time a customer enters into a buy or sell transaction, the Company charges a commission. Commissions and related clearing expenses are recorded on the trade date (the date that the Company fulfills the trade order by finding and contracting with a counterparty and confirms the trade with the customer). The Company believes that the performance obligation is satisfied on the trade date because that is when the underlying financial instrument or purchaser is identified, the pricing is agreed upon and the risks and rewards of ownership of the securities have been transferred to/from the customer.

*Investment Banking, Merger and Acquisition (M&A) Services:*

These services include agreements to provide advisory services to customers for which they charge the customers fees. The Company provides advisory services/corporate finance activity including mergers and acquisitions, reorganizations, tender offers, leveraged buyouts, fundraising activity and the pricing of securities to be issued.

The agreements ordinarily contain nonrefundable retainer fees and success fees, which may be fixed or represent a percentage of value that the customer receives if and when the corporate finance activity is completed ("success fees"). The retainer fees or other milestone fees reduce any success fee subsequently invoiced and received upon the completion of the corporate finance activity. The Company evaluates its nonrefundable retainer payments, to ensure its fee relates to the transfer of a good or service, as a distinct



**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE B – REVENUE RECOGNITION (CONTINUED)**

performance obligation, in exchange for the retainer. If a promised good or service is not distinct, the Company combines that good or service with other promised goods or services until it identifies a bundle of goods or services that is distinct. In some cases, that would result in the broker-dealer accounting for all the services promised in a contract as a single performance obligation and the retainer revenue is classified as deferred revenue on the Statement of Financial Condition.

*Mutual Fund (pooled investment vehicles) and 12b1 fees:*

Mutual funds or pooled investment vehicles (collectively, "funds") have entered into agreements with the Company to distribute/sell its shares to investors. The Company may receive distribution fees paid by the funds upfront, over time, upon the investor's exit from the fund (that is, a contingent deferred sales charge), or as a combination thereof. The Company believes its performance obligation is the sale of securities to investors and as such this is fulfilled on the trade date. Any fixed amounts are recognized on the trade date and variable amounts are recognized to the extent it is probable that a significant revenue reversal will not occur once the uncertainty is resolved. For variable amounts, as the uncertainty is dependent on the value of the shares at future points in time as well as the length of time the investor remains in the fund, both of which are highly susceptible to factors outside the Company's influence, the Company does not believe that it can overcome this constraint until the market value of the fund and the investor activities are known, which are usually quarterly or monthly.

*Referral Fees*

Revenue from referral agreements includes a percentage of performance fees earned from assets invested in funds by introduced investors for the life of the investments, including additional investments made by the introduced investors. As the value of assets at future points in time as well as the length of time the investor remains in the investment, both of which are highly susceptible to factors outside the Company's influence, are uncertain, the Company does not believe that it can overcome this constraint until the market value of the investment and the investor activities are known, which are usually monthly or quarterly.

**NOTE C – LEASES**

The Company recognizes and measures its leases in accordance with FASB ASC 842, *Leases*. The Company is a lessee in a non-cancelable operating lease for office space. The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Company recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate. The discount rate is the implicit rate if it is readily determinable or otherwise the Company uses its incremental borrowing rate. The Company has determined that the implicit rate of the lease is not readily determinable and accordingly, uses the incremental borrowing rate based on the information available at the commencement date of its lease. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment. The Company estimated its incremental borrowing rate to be 6%. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e.,



**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE C – LEASES (CONTINUED)**

present value of the remaining lease payments). Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Company's lease does not include termination options for either party to the lease or restrictive financial covenants. Payments due under the lease contract includes fixed payments plus variable payments. The Company's office space lease requires it to make variable payments for the Company's proportionate share of the building's property taxes, insurance, and common area maintenance. These variable lease payments are not included in lease payments used to determine lease liability and are recognized as variable costs when incurred. The total lease cost including variable costs associated with the Company's office space lease for the year ended December 31, 2021 was \$256,761.

Maturities of lease liabilities under the non-cancelable premises lease as of December 31, 2021 are as follows:

2022	\$ 152,057
2023	259,764
2024	319,510
2025	327,498
2026	335,685
Thereafter	344,076
Total undiscounted lease payments	\$1,738,590
(Less imputed interest)	(313,147)
Total lease liability	\$1,425,443

**NOTE D – NET CAPITAL**

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, 2021, the Company had net capital of \$1,749,417, which was \$1,649,417 in excess of its required net capital of \$100,000 and the ratio of aggregate indebtedness to net capital was 0.171 to 1.0.

**NOTE E – FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET CREDIT RISK**

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of individuals, corporations and institutions.

The Company introduces all customer transactions in securities traded on U.S. securities markets to another firm on a fully disclosed basis. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to non-performance by customers or counter parties. The Company monitors clearance and settlement of all customer transactions on a daily basis.

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE E – FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET CREDIT RISK  
(CONTINUED)**

The Company's exposure to credit risk associated with the non-performance of customers and counter parties in fulfilling their contractual obligations pursuant to these securities transactions can be directly impacted by volatile trading markets which may impair the customer's or counter party's ability to satisfy their obligations to the Company. In the event of non-performance the Company may be required to purchase or sell financial instruments at unfavorable market prices resulting in a loss to the Company. The Company does not anticipate non-performance by customers and counter parties in the above situations.

The Company seeks to control the aforementioned risks by requiring customers or counter parties to maintain collateral in compliance with regulatory requirements, clearing broker's guidelines and industry standards. The Company has a policy of reviewing the credit standing of each customer and counter party with which it conducts business.

**NOTE F – RECEIVABLE FROM CLEARING BROKER AND CLEARANCE AGREEMENT**

The Company has an agreement with a clearing broker to execute and clear, on a fully disclosed basis, customer accounts of the Company. In accordance with this agreement, the Company is required to maintain a deposit in cash or securities.

Amounts receivable from its clearing organization at December 31, 2021 consist of commissions receivable and funds on deposit in various accounts. The receivable is considered fully collectible at December 31, 2021 and no allowance is required.

**NOTE G – CONTINGENCIES**

The Company is subject to customer claims and litigation in the normal course of business. The Company has no arbitrations or litigation in progress at December 31, 2021.

**NOTE I – RELATED PARTY TRANSACTIONS**

The Company is affiliated with a Related Party, a sister entity, that is a Registered Investment Advisor. For 2021, the Related Party paid the Company for rent of \$32,800 that is included in other revenues within the accompanying statement of operations, and other office, general & administrative fees of approximately \$187,200 that have been offset against their respective expense categories within the accompanying statement of operations, pursuant to an Expense Sharing Agreement between the parties.

In addition, the Company is reimbursed by the Related Party for commissions paid to the Company's brokers that was earned by the brokers from activity in the Related Party. There were no balances due



**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE I – RELATED PARTY TRANSACTIONS (CONTINUED)**

from related party in the statement of financial condition arising from this arrangement at December 31, 2021.

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

**NOTE J – FAIR VALUE**

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following table presents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2021.

	Fair Value Measurements			
	December 31, 2021	Level 1 Valuation	Level 2 Valuation	Level 3 Valuation
Securities owned, common stocks, publicly traded	<u>\$ 1,438,044</u>	<u>\$ 1,438,044</u>	<u>\$ -</u>	<u>\$ -</u>

Fair value of investment securities is determined by obtaining quoted prices on nationally recognized securities exchanges.

**REGISTER FINANCIAL ASSOCIATES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2021**

**NOTE K – PAYCHECK PROTECTION PROGRAM LOAN AND LONG TERM DEBT**

The Company borrowed \$323,900 under the Paycheck Protection Program (“PPP”) established by the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act and Economic Injury Disaster Loan program (“EIDL”) sponsored by the United States and the administered by the Small Business Administration (the “SBA”).

In May 2020, the Company received a PPP loan in the amount of \$313,900. The loan was used for eligible expenditures such as payroll and other expenses described in the CARES Act and was subsequently forgiven in February 2021.

The Company additionally received an EIDL loan from the SBA in the amount of \$10,000 in April 2020. The loan was converted into an advance versus the PPP loan and forgiven at the same time as the PPP loan.

**NOTE L – RETIREMENT PLAN**

The Company has a profit-sharing plan with a 401(k), salary reduction plan feature, covering substantially all full-time employees. Employer contributions expensed for 2021 were \$20,000.



## SUPPLEMENTAL INFORMATION

**SCHEDULE I**  
**REGISTER FINANCIAL ASSOCIATES, INC.**

**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION ACT OF 1934**  
**DECEMBER 31, 2021**

NET CAPITAL:

Total stockholders' equity	<u>\$2,097,359</u>
Less non-allowable assets:	
Furniture and office equipment	(8,036)
Accounts Receivable, net	(14,081)
Non-marketable Securities	(1,700)
Other assets	<u>(99,694)</u>
Total non-allowable assets	(123,511)
Net capital before haircuts	1,973,848
Less haircuts:	
Money Market assets	8,979
Securities owned	<u>215,452</u>
Total haircuts	<u>(224,431)</u>
Net capital	1,749,417
Less required capital	<u>(100,000)</u>
Excess net capital	<u>\$1,649,417</u>
Aggregate indebtedness	<u>\$ 299,188</u>
Ratio of aggregate indebtedness to net capital	<u>0.171 to 1.0</u>

RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL INCLUDED IN PART IIA OF FORM X-17A-5 AS OF DECEMBER 31, 2021.

There are no material differences between net capital as reported in the Company's corresponding unaudited Part II of Form X-17A-5, and net capital as reported above.

**REGISTER FINANCIAL ASSOCIATES, INC.**

**SCHEDULE II**

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
DECEMBER 31, 2021**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(ii) of the Rule.

**SCHEDULE III**

**INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
DECEMBER 31, 2021**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(ii) of the Rule.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Stockholders of  
Register Financial Associates, Inc.

We have reviewed management's statements included in the accompanying Broker Dealers Annual Exemption Report in which (1) Register Financial Associates, Inc. identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Register Financial Associates, Inc. claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(ii) (the "exemption provisions"); and, (2) Register Financial Associates, Inc. stated that Register Financial Associates, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Register Financial Associates, Inc.'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 Register Financial Associates, Inc.'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)(ii), of Rule 15c3-3 under the Securities Exchange Act of 1934.

February 25, 2022  
Atlanta, GA



Rubio CPA, PC





## REGISTER FINANCIAL ASSOCIATES, INC.

### EXEMPTION REPORT

YEAR ENDED DECEMBER 31, 2021

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Register Financial Associates, Inc. (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:

- The Company claimed an exemption from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934, pursuant to paragraph (k)(2)(ii) of the Rule.

The Company met the identified exemption provisions throughout the most recent fiscal year ended December 31, 2021 without exception.

Scott Register, CFO

February 16, 2022

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

To the Stockholders of  
Register Financial Associates, Inc.

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 Register Financial Associates, Inc. and the SIPC, solely to assist you and SIPC in evaluating Register Financial Associates, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2021. Register Financial Associates, Inc.'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 amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2021 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2021, 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.

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 Register Financial Associates, Inc.'s compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2021. 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 Register Financial Associates, Inc. and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

February 25, 2022  
Atlanta, GA

  
Rubio CPA, PC