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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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**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 01/01/08 AND ENDING 12/31/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Cohen Financial Equities LLC

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

Two N. LaSalle Street, Suite 800

(No. and Street)

Chicago
(City)

IL
(State)

60602
(Zip Code)

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

Kendra Steele

312 602-6115

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KPMG LLP

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

303 E. Wacker Drive Chicago
(Address) (City)

IL
(State)

60601
(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 (06-02)

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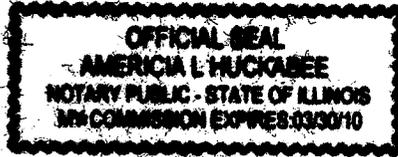
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OATH OR AFFIRMATION

I, Kendra Steele, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Cohen Financial Equities LLC, as of December 31, 2008, 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:

Kendra Steele
Signature
Vice President
Title

Americia L. Huckabee
Notary Public



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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

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KPMG LLP
303 East Wacker Drive
Chicago, IL 60601-5212

Independent Auditors' Report

The Member
Cohen Financial Equities LLC:

We have audited the accompanying statements of financial condition of Cohen Financial Equities LLC (the Company), as of December 31, 2008 and 2007, and the related statements of operations, changes in member's capital, and cash flows for the years then ended, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management of the Company, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cohen Financial Equities LLC as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the supplementary schedules on pages 8-10 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

KPMG LLP

February 24, 2009
Chicago Illinois

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Statements of Financial Condition

December 31, 2008 and 2007

| | Assets | 2008 | 2007 |
|---|---------------|------------------|---------------|
| Cash | | \$ 90,862 | 85,158 |
| FINRA receivable | | 1,310 | 2,642 |
| Other assets | | 1,385 | 1,660 |
| Total assets | | <u>\$ 93,557</u> | <u>89,460</u> |
| Liabilities and Member's Capital | | | |
| Liabilities: | | | |
| Accounts payable and accrued expenses | | \$ 12,573 | 15,948 |
| Total liabilities | | 12,573 | 15,948 |
| Member's capital | | 80,984 | 73,512 |
| Total liabilities and member's capital | | <u>\$ 93,557</u> | <u>89,460</u> |

See accompanying notes to financial statements.

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Statements of Operations

Years ended December 31, 2008 and 2007

| | <u>2008</u> | <u>2007</u> |
|--------------------------|------------------|-----------------|
| Revenue | 71,663 | 476 |
| Expenses: | | |
| Training expense | 1,416 | 2,892 |
| Professional fees | 16,420 | 64,334 |
| Other operating expenses | 5,891 | 11,973 |
| Total expenses | <u>23,727</u> | <u>79,199</u> |
| Net income (loss) | <u>\$ 47,936</u> | <u>(78,723)</u> |

See accompanying notes to financial statements.

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Statements of Changes in Member's Capital
Years ended December 31, 2008 and 2007

| | | |
|------------------------------|----|----------------------|
| Balance at December 31, 2006 | \$ | 62,539 |
| Capital contributions | | 89,696 |
| Net loss | | <u>(78,723)</u> |
| Balance at December 31, 2007 | | 73,512 |
| Capital contribution | | 9,536 |
| Capital distribution | | (50,000) |
| Net Income | | <u>47,936</u> |
| Balance at December 31, 2008 | \$ | <u><u>80,984</u></u> |

See accompanying notes to financial statements.

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Statements of Cash Flows

Years ended December 31, 2008 and 2007

| | 2008 | 2007 |
|---|-------------|-------------|
| Cash flows from operating activities: | | |
| Net income (loss) | \$ 47,936 | (78,723) |
| Adjustments to reconcile net (loss) income to net cash flows from operating activities: | | |
| Member's payment of certain expenses on behalf of the Company | 9,536 | 14,696 |
| Net change in certain assets and liabilities: | | |
| FINRA receivable | 1,332 | 5,273 |
| Other assets | 275 | 3 |
| Accounts payable and accrued expenses | (3,375) | (3,723) |
| Net cash flows (used in) provided by operating activities | 55,704 | (62,474) |
| Cash flows from financing activity: | | |
| Capital contributions (distributions) | (50,000) | 75,000 |
| Net cash flows provided by (used in) financing activity | (50,000) | 75,000 |
| Net increase in cash | 5,704 | 12,526 |
| Cash, beginning of period | 85,158 | 72,632 |
| Cash, end of period | \$ 90,862 | 85,158 |

See accompanying notes to financial statements.

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Notes to Financial Statements
December 31, 2008 and 2007

(1) Organization

CMBS-A, LLC was organized as a limited liability company on February 25, 1999 under the laws of the State of Illinois for the purpose of providing investment services and shall continue in existence until March 1, 2049 unless terminated earlier. CMBS-A, LLC had no operations. On March 1, 2003, CMBS-A, LLC changed its name to Cohen Financial Equities LLC (the Company). The Company is a registered member of the Financial Industry Regulatory Authority (FINRA) as a broker/dealer. In addition, the Company is registered as an investment adviser with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

On June 1, 2004, CFC Capital Management Associates, L.P. transferred its interest in the Company to CFC Transactions, L.P. making CFC Transactions, L.P. the sole member of the Company.

The member shall not be personally liable to the Company or the creditors of the Company for the debts of the Company or any of its losses beyond the amount of capital actually contributed to the Company by such member plus its accumulated and undistributed net profits of the Company and any interest thereon.

The Company was formed to provide investment advisory services for institutional customers and high net-worth individuals and to provide services as a placement agent in private placements of securities for these and other customers.

(2) Summary of Significant Accounting Policies

(a) Income Taxes

Federal and state income taxes related to income and expenses of the Company are the responsibility of the member and are not included in the accompanying financial statements.

(b) Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles and requires management to make estimates and assumptions that affect the reported amounts of 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.

(c) Revenue Recognition

Revenue from transaction fees consists of equity placement fees and is recognized as income upon the closing of the transaction.

(3) Distributions to the Member

The member may, at its discretion (but is not required to), make distributions of cash at any time.

(4) FINRA Receivable

The Company maintains funds on deposit with FINRA to pay future processing fees. These funds are refundable on demand.

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Notes to Financial Statements
December 31, 2008 and 2007

(5) Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital of \$5,000 or 6 $\frac{3}{4}$ % of aggregate indebtedness, whichever is greater, and requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1, as these terms are defined. At December 31, 2008 and 2007, the Company had capital, net of nonallowable assets, of \$78,289 and \$69,210, respectively, which was \$73,289 and \$64,210 in excess of its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .16 to 1 at December 31, 2008.

(6) Related Party

The Company has an agreement with its parent company to receive support services and office space. The support services include legal, accounting, marketing, telecommunications, computer support, and managerial services. The office space agreement allows the Company exclusive rights to a portion of the parent's main office and five branch offices. These costs were \$9,536 and \$14,696 for the years ended December 31, 2008 and 2007, respectively, and were recorded as professional fees and other operating expenses in the accompanying statements of operations. These costs were incurred by the member on behalf of the Company and were accounted for as a member contribution of capital in the accompanying statements of changes in member's capital. This agreement may be terminated by either party with a thirty-day written notice.

(7) Reconciliation of Statement of Operations to Focus Report Statement of Income for the Year Ended December 31, 2008

| | |
|---|------------------|
| Total expenses | <u>23,727</u> |
| Net income per statement of operations | 47,936 |
| Adjustment to record costs pursuant to the office space agreement | <u>(9,536)</u> |
| Net income per focus report statement of income | <u>\$ 38,400</u> |

COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission

December 31, 2008

| | | |
|---|----|----------------------|
| Net capital: | | |
| Total member's capital | \$ | 80,984 |
| Less nonallowable assets | | <u>(2,695)</u> |
| Net capital | | 78,289 |
| Net capital requirement | | <u>5,000</u> |
| Excess net capital | \$ | <u><u>73,289</u></u> |
| Aggregate indebtedness – accounts payable, accrued expenses and other unsubordinated liabilities | \$ | 12,573 |
| Ratio of aggregate indebtedness to net capital | | 0.17 |

Cohen Financial Equities LLC is exempt under paragraph (k)(2)(ii) of Rule 15c3-3 from computing the reserve requirements under Exhibit A of Rule 15c3-3 and from including information relating to the possession or control requirements under Rule 15c3-3 because the Company is an introducing broker that does not receive customer funds or securities.

There are no differences between the schedule presented above and the schedule filed with the focus report.

See accompanying independent auditors' report.



KPMG LLP
303 East Wacker Drive
Chicago, IL 60601-5212

Independent Auditors' Report on Internal Control Required by SEC Rule 17a-5

The Members
Cohen Financial Equities LLC:

In planning and performing our audits of the financial statements of Cohen Financial Equities, LLC (the Company), as of December 31, 2008 and 2007 and for the years then ended, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and the reserve required by Rule 15c3-3(e), and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable, but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.



Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, detect and correct misstatements on a timely basis. A significant deficiency is a deficiency or combination of deficiencies in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, detected, or corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control that we consider material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of the members, management, the SEC, FINRA, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

February 24, 2009
Chicago, Illinois



COHEN FINANCIAL EQUITIES LLC
(An Illinois Limited Liability Company)

Financial Statements and Schedule

December 31, 2008 and 2007

(With Independent Auditors' Report Thereon)