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

OMB APPROVAL  
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13013292

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

SEC FILE NUMBER  
8- 67609

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 January 1, 2012 AND ENDING December 31, 2012  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Arbor Court Capital, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY  
FIRM I.D. NO.

2000 Auburn Drive Suite 120

(No. and Street)

Beachwood

Ohio

44122

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Christopher Barone 216-839-5101  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Hobe & Lucas Certified Public Accountants, Inc.

4807 Rockside Road Suite 510

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

Ohio

44131

(Address)

(City)

SEC  
Mail Processing  
Section

(Zip Code)

MAR - 1 2013

Washington DC  
402

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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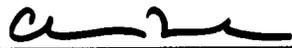
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OATH OR AFFIRMATION

I, Christopher R. Barone, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Arbor Court Capital, LLC

of December 31, 2012, 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:

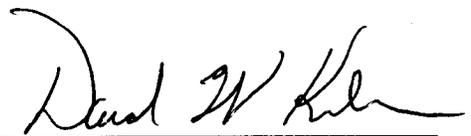
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\_\_\_\_\_  
\_\_\_\_\_



Signature

**PRESIDENT**

Title



Notary Public

David W. Kuhr  
Notary Public, State of Ohio  
My Commission Expires: 12/16/2015

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).

**ARBOR COURT CAPITAL, LLC**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

**Hobe & Lucas** Certified Public Accountants, Inc.

**ARBOR COURT CAPITAL, LLC**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2012**

## INDEPENDENT AUDITORS' REPORT

To the Members of  
Arbor Court Capital, LLC  
Beachwood, Ohio

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Arbor Court Capital, LLC which comprise the statement of financial condition as of December 31, 2012, and the related statements of operations and changes in members' equity and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Independent Member

# B K R

INTERNATIONAL  
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Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Arbor Court Capital, LLC as of December 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II are 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Hobe & Lucas*  
*Certified Public Accountants*

February 23, 2013

**ARBOR COURT CAPITAL, LLC**  
**DECEMBER 31, 2012**

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**ARBOR COURT CAPITAL, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2012**

**ASSETS**

**Assets**

Cash and cash equivalents	\$ 119,279
Accounts receivable	395
Prepaid expenses	9,023
Furniture- Net	800
Security Deposit	6,600
Goodwill	22,500
	<hr/>
<b>Total Assets</b>	<b>\$ 158,597</b>
	<hr/> <hr/>

**LIABILITIES AND MEMBERS' EQUITY**

**Members' Equity**

Members' Equity	\$ 158,597
	<hr/>
<b>Total Liabilities and Members' Equity</b>	<b>\$ 158,597</b>
	<hr/> <hr/>

See accompanying notes to financial statements.

**ARBOR COURT CAPITAL, LLC**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**Revenue**

Distribution Services	\$ 395
Settlement fees	690
	<u>1,085</u>

**Expenses**

Commissions	217
Depreciation	200
Professional fees	3,371
Registration fees and licenses	1,688
Licenses and permits	1,745
Rent	19,046
Insurance	1,235
Office expenses and utilities	300
Bank charges	25
Taxes - other	797
<b>Total Expenses</b>	<u>28,623</u>

**Net Income (Loss) from Operations** (27,538)

**Other Income**

Rental income	13,475
Interest income	12
	<u>13,487</u>

**Net Income (Loss)** \$ (14,051)

See accompanying notes to financial statements.

**ARBOR COURT CAPITAL, LLC**  
**STATEMENT OF CHANGES IN MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

<b><u>Beginning Balance</u></b>	\$ 99,648
Contributions	73,000
Net loss	<u>(14,051)</u>
<b><u>Ending Balance</u></b>	<b><u><u>\$ 158,597</u></u></b>

See accompanying notes to financial statements.

**ARBOR COURT CAPITAL, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

**Cash Flows From Operating Activities:**

Net income (loss)	\$ (14,051)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	
Depreciation	200
(Increase) decrease in assets:	
Prepaid expenses and other current assets	(7,630)
Accounts receivable	(95)
Security deposit	(6,600)
Increase (decrease) in liabilities:	
Accounts payable	(353)
Payable to prior owner	(36,264)
Net Cash Provided by Operating Activities	<u>(64,793)</u>

**Cash Flows From Investing Activities:**

Purchase of furniture	<u>(1,000)</u>
-----------------------	----------------

**Cash Flows From Financing Activities:**

Member contributions	<u>73,000</u>
----------------------	---------------

**Net Increase in Cash and Cash Equivalents**

7,207

**Cash and Cash Equivalents - January 1, 2012**

112,072

**Cash and Cash Equivalents - December 31, 2012**

\$ 119,279

**Supplemental Disclosure of Cash Flow Information:**

Interest paid	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>

See accompanying notes to financial statements.

**ARBOR COURT CAPITAL, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**ORGANIZATION**

Arbor Court Capital, LLC (the Company), was a wholly-owned subsidiary of Ancora Capital, Inc. (the Parent). Effective December 30, 2011, there was a change in ownership. In 2012, the new owners have reestablished the FINRA - registered broker dealer to specialize in the distribution of mutual funds. As of the date of the financial statements, the Company has received formal approval from FINRA to engage in this distribution business. The firm has also attained membership in the National Securities Clearing Corporation with access to the FundSERV platform. The NSCC membership will allow the broker dealer clear mutual fund transactions electronically across the most popular brokerage platforms on Wall Street.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Income Taxes**

The Company is a limited liability company; its members are taxed on their proportionate share of the Company's taxable income. Therefore, no provision for federal or state income taxes has been included in the financial statements.

Reporting periods ending December 31, 2009, December 31, 2010, December 31, 2011 and December 31, 2012 are subject to examination by major taxing authorities.

**Cash and Cash Equivalents**

The Company considers financial instruments with an original maturity of less than 90 days to be cash equivalents.

**Furniture**

Furniture is recorded at cost.

**Goodwill**

Goodwill is reviewed for possible impairment at least annually or more frequently upon the occurrence of an event or when circumstances indicate that the entity's carrying value is greater than its fair value. At December 31, 2012, the Company determined that fair value of the goodwill was greater than its carrying value. Accordingly, no impairment was recorded for the year ended December 31, 2012.

**ARBOR COURT CAPITAL, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

**FURNITURE**

Cost of furniture	\$1,000
Less accumulated depreciation	<u>200</u>
Furniture, net	<u>\$ 800</u>

**NET CAPITAL PROVISION OF RULE 15c3-1**

The Company is subject to the Securities and Exchange Commission (SEC) 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, 2012, Arbor Court Capital, LLC had net capital of \$119,279 which was \$114,279 in excess of its required net capital of \$5,000. Arbor Court Capital, LLC's ratio of aggregate indebtedness to net capital was 0.0%.

**EXEMPTION FROM RULE 15c3-3**

The Company acts as a broker or dealer with limited business activities. The Company operates under Section (k)(1) of Rule 15c3-3 of the Securities Exchange Act of 1934 and is therefore exempt from the requirements of Rule 15c3-3.

**SUBSEQUENT EVENTS/RELATED PARTY**

During the year, a lease of office space was assigned to a related party. Subsequent to the date of the financial statements, the Company signed a sublease with the related party to rent office space. The lease will be \$500 per month and expires October 2016. The Company had prepaid rent prior to the assignment and the related party has agreed to waive monthly rent thru March 2014. Prepaid rent is included with prepaid expenses on the balance sheet in the amount of \$7,543.

The Company has evaluated all subsequent events through February 23, 2013, the available date of the issuance of the financial statements.

**SUPPLEMENTAL INFORMATION**  
**PURSUANT TO RULE 17a-5 OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**  
**DECEMBER 31, 2012**

**ARBOR COURT CAPITAL, LLC**  
**COMPUTATION OF NET CAPITAL**  
**PURSUANT TO RULE 15c3-1 OF THE**  
**SECURITIES AND EXCHANGE COMMISSION**  
**DECEMBER 31, 2012**

**Net Capital**

Total members' equity from statement of financial condition	158,597
Less: Non-allowable assets:	
Prepaid expenses	(9,023)
Security deposit	(6,600)
Accounts receivable	(395)
Furniture, net	(800)
Goodwill	(22,500)
	<u>(39,318)</u>

**Net Capital****119,279****Computation of Aggregate Indebtedness**

Accounts payable and accrued expenses	<u>-</u>
---------------------------------------	----------

**Computation of Basic Net Capital Requirement -**

6 2/3% of Aggregate Indebtedness	<u>\$ -</u>
----------------------------------	-------------

**Minimum Required Net Capital****\$ 5,000****Net Capital Requirement****\$ 5,000****Excess Net Capital****\$ 114,279****Excess Net Capital at 1,000%****\$ 119,279****Ratio of Aggregate Indebtedness to Net Capital****0.0%**

A reconciliation of the computation of net capital under Rule 15c3-1 as included in the Company's unaudited Form X-17a-5 as of December 31, 2011, filed with the Securities and Exchange Commission and the amount included in the accompanying Schedule I Computation is not required as there are no material differences.

**ARBOR COURT CAPITAL, LLC**  
**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS**  
**AND INFORMATION RELATING TO POSSESSION OR CONTROL**  
**REQUIREMENTS PURSUANT TO RULE 15c3-3 OF THE**  
**SECURITIES AND EXCHANGE COMMISSION**  
**DECEMBER 31, 2012**

The Company is not required to present the schedule "Computation for Determination of Reserve Requirements Under Rule 15c3-3" and "Information for Possession or Control Requirements Under Rule 15c3-3" as it meets the exemptive provisions of Rule 15c3-3.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE**  
**REQUIRED BY SEC RULE 17a-5**

To the Members of  
Arbor Court Capital, LLC  
Beachwood, Ohio

In planning and performing our audit of the financial statements of Arbor Court Capital, LLC for the year ended December 31, 2012, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by rule 17a-5(g)(1) of the Securities Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including 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 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.
2. Recordation of differences required by rule 17a-13,
3. 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.

The management of the Company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and procedures 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 an internal control structure 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 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 any internal control structure or the practices and procedures referred to above, errors 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 *control deficiency* 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 or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

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 and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand the 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, 2012, to meet the SEC's objectives.

This report is intended solely for the information and use of management, the SEC, 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 those specified parties.

*Hobe I. Lucas*  
*Certified Public Accountants*

February 23, 2013

ARBOR COURT CAPITAL, LLC

AGREED-UPON PROCEDURES

DECEMBER 31, 2012

**ARBOR COURT CAPITAL, LLC**

**AGREED-UPON PROCEDURES**

**DECEMBER 31, 2012**

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	April 30, 2013
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**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER
8-

**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 January 1, 2012 AND ENDING December 31, 2012  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Arbor Court Capital, LLC

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

2000 Auburn Drive Suite 120

(No. and Street)

Beachwood

Ohio

44122

(City)

(State)

(Zip Code)

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

Christopher Barone

216-839-5101

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Hobe & Lucas Certified Public Accountants, Inc.

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

4807 Rockside Road Suite 510

Ohio

44131

(Address)

(City)

(Zip Code)

CHECK ONE:

- Certified Public Accountant  
 Public Accountant  
 Accountant not resident in United States or any of its possessions.

SEC  
Mail Processing  
Section  
MAR 1 2013  
Washington DC  
402

**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, Christopher R. Barone, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Arbor Court Capital, LLC

of December 31, 2012, 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:

[Empty lines for listing exceptions]

[Handwritten Signature]

Signature

PRESIDENT

Title

[Handwritten Signature: David W. Kuhr]

Notary Public

David W. Kuhr
Notary Public, State of Ohio
My Commission Expires: 12/16/2015

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).

**ARBOR COURT CAPITAL, LLC**  
**DECEMBER 31, 2012**

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## **Independent Accountants' Report on Applying Agreed-Upon Procedures Related to an Entity's SIPC Assessment Reconciliation**

---

To the Members of Arbor Court Capital, LLC  
Beachwood, Ohio

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the period from January 01, 2012 to December 31, 2012, which were agreed to by Arbor Court Capital, LLC, and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating Arbor Court Capital, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Arbor Court Capital, LLC's management is responsible for the Arbor Court Capital, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted 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 SPIC-7 with respective cash disbursement records noting no differences;
2. Compared the Total Revenue amounts of the audited Form X-17A-5 for the year ended December 31, 2012 with the amounts reported in Form SIPC-7 for the year ended December 31, 2012, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers (Excel spreadsheets derived from the general ledger) that were prepared by management noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers (Excel spreadsheet derived from the general ledger) that were prepared by management supporting the adjustments noting no differences; and
5. Not applicable – there is no overpayment.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. 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 the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

*Hobe & Lucas*  
*Certified Public Accountants, Inc.*

February 23, 2013

**SIPC-7**

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION  
P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation**

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended DECEMBER 31, 20 12  
(Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

067609 FINRA DEC  
Arbor Court Capital, LLC 16\*16  
2000 Auburn Drive Suite 120  
Cleveland, Ohio 44122-4328

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

Christopher R. Barone 216-839-5103

WORKING COPY

2. A. General Assessment (item 2e from page 2)	* ACC filed the 2011-SIPC 7 & 2012-SIPC 6 *	\$ <u>3</u>
B. Less payment made with SIPC-6 filed (exclude interest) From the 2012 SIPC-6 Report		( <u>2</u> )
Date Paid		
C. Less prior overpayment applied		( <u>118</u> )
D. Assessment balance due or (overpayment)		<u>-115</u>
E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum		_____
F. Total assessment balance and interest due (or overpayment carried forward)		\$ <u>-115</u>
G. PAID WITH THIS FORM: Check enclosed, payable to SIPC Total (must be same as F above)	\$ <u>0</u>	
H. Overpayment carried forward	\$ ( <u>115</u> )	

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Arbor Court Capital, LLC

(Partnership or other organization)



(Authorized Signature)

Dated the 20 day of February, 20 13

PRESIDENT

(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER

Dates:                      Postmarked                      Received                      Reviewed                     

Calculations                      Documentation                      Forward Copy                     

Exceptions:

Disposition of exceptions:

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning \_\_\_\_\_, 20\_\_\_\_  
and ending \_\_\_\_\_, 20\_\_\_\_  
Eliminate cents

**Item No.**  
2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030) \$ 14,576

- 2b. Additions:
- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above. \_\_\_\_\_
  - (2) Net loss from principal transactions in securities in trading accounts. \_\_\_\_\_
  - (3) Net loss from principal transactions in commodities in trading accounts. \_\_\_\_\_
  - (4) Interest and dividend expense deducted in determining item 2a. \_\_\_\_\_
  - (5) Net loss from management of or participation in the underwriting or distribution of securities. \_\_\_\_\_
  - (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities. \_\_\_\_\_
  - (7) Net loss from securities in investment accounts. \_\_\_\_\_
- Total additions \_\_\_\_\_

- 2c. Deductions:
- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products. \_\_\_\_\_
  - (2) Revenues from commodity transactions. \_\_\_\_\_
  - (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions. \_\_\_\_\_
  - (4) Reimbursements for postage in connection with proxy solicitation. \_\_\_\_\_
  - (5) Net gain from securities in investment accounts. \_\_\_\_\_
  - (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date. \_\_\_\_\_
  - (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act). \_\_\_\_\_
  - (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C): \_\_\_\_\_

Rental Income not related to the securities industry 13475

- (9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income. \$ \_\_\_\_\_
  - (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). \$ \_\_\_\_\_
- Enter the greater of line (i) or (ii) \_\_\_\_\_
- Total deductions \_\_\_\_\_

21. SIPC Net Operating Revenues \$ 1101

2a. General Assessment @ .0025 \$ 3

(to page 1, line 2.A.)