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

MAR 01 2019

SEC FILE NUMBER
8-26657

Washington, DC

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/18 AND ENDING 12/31/18  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **JRL CAPITAL CORPORATION**

OFFICIAL USE ONLY
FIRM I.D. NO.

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

**20371 IRVINE AVE, SUITE 140**

(No. and Street)

**NEWPORT BEACH**

**CA**

**92660**

(City)

(State)

(Zip Code)

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

LARRY R. LAW

949-650-2928

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**DAVE BANERJEE CPA AN ACCOUNTANCY CORPORATION**

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

**21860 BURBANK BLVD, SUITE 150 WOODLAND HILLS**

**CA**

**91367**

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (11-05)

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OATH OR AFFIRMATION

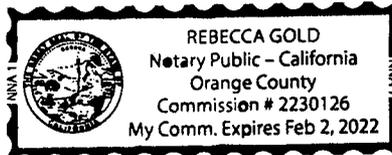
I, LARRY R. LAW, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of JRL CAPITAL CORPORATION, as of DECEMBER 31, 2018, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NONE

[Handwritten Signature]
Signature

PRESIDENT
Title

[Handwritten Signature]
Notary Public



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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

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MAR 01 2019

Washington, DC



**DAVE BANERJEE, CPA**

*An Accountancy Corporation – Member AICPA and PCAOB*

21860 Burbank Blvd., Suite 150, Woodland Hills, CA 91367 • (818) 657-0288 • FAX (818) 657-0299 • (818) 312-3283

**Report of Independent Registered Public Accounting Firm**

To the shareholders of JRL Capital Corporation

**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of JRL Capital Corporation (the "Company") as of December 31, 2018, the related statement of operation, changes in stockholder's equity, and cash flows, for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018, 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 JRL Capital Corporation 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

**Supplemental Information**

The information contained in Schedule I, II, and III ("Supplemental Information") has been subject 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 Supplemental Information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the Supplemental Information. In forming our opinion on the Supplemental Information, we evaluated whether the Supplemental Information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, Schedules I, II, and III are fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Dave Banerjee CPA, an Accountancy Corporation  
We have served as the Company's auditor since 2015.  
Woodland Hills, California  
February 27, 2019

**JRL CAPITAL CORPORATION**  
(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)

**STATEMENT OF FINANCIAL CONDITION**

	December 31, 2018
<b>ASSETS</b>	
Current assets:	
Cash and cash equivalents	\$ 30,696
Accounts receivable	25,996
Other Current Assets	25,141
Deferred tax asset	2,960
Prepaid expenses	<u>3,031</u>
	<u>\$ 87,824</u>
 <b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>	
Liabilities:	
Accounts payable and accrued expenses	\$ <u>21,830</u>
Total liabilities	21,830
Commitments and contingencies	
Stockholder's equity:	
Common stock, no par value; 1,000 shares authorized, issued and outstanding	5,000
Additional Paid in Capital	<u>68,404</u>
Total Shareholder Equity	73,404
Retained Earnings	3,948
Net Income	<u>(11,358)</u>
Total stockholder's equity	<u>65,994</u>
	<u>\$ 87,824</u>

*See accompanying notes to financial statements*

**JRL CAPITAL CORPORATION**  
(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)

**STATEMENT OF OPERATIONS**

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	<b>For The Year Ended December 31, 2018</b>
<b>Revenues:</b>	
Commissions	\$ 829,598
Other	<u>138,052</u>
Total revenues	<u>967,650</u>
<b>Expenses:</b>	
Commissions	719,156
Due Diligence Costs	106,935
General and administrative, and other related party expenses	<u>152,117</u>
Total expenses	<u>978,208</u>
Gain/Loss before provision for income taxes	(10,558)
Provision for income taxes	
State Franchise Tax (min)	<u>(800)</u>
Total Taxes	<u>(800)</u>
Net Income (Loss)	<u>\$ (11,358)</u>

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*See accompanying notes to financial statements*

**JRL CAPITAL CORPORATION**  
**(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)**

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**

**For the Year Ending December 31, 2018**

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	<u>Common Stock</u>		<u>Paid In</u>	<u>Accumulated</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Capital</u>	<u>Deficit</u>	<u>Stockholder's</u>
					<u>Equity</u>
Balance at January 1, 2018	1,000	\$ 5,000	\$68,404	\$ 3,948	\$ 77,352
Net Income (Loss)	-	-	-	(11,358)	60,994
Balance at December 31, 2018	<u>1,000</u>	<u>\$ 5,000</u>	<u>\$68,404</u>	<u>\$ (7,410)</u>	<u>\$ 65,994</u>

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*See accompanying notes to financial statements*

**JRL CAPITAL CORPORATION**  
(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)

**STATEMENT OF CASH FLOWS**

**For the Year Ending December 31, 2018**

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	<b>For The Year Ended December 31, 2018</b>
Cash flows used in operating activities:	
Net (loss)	\$ (11,358)
Adjustments to reconcile net loss to net cash used in operating activities:	
Changes in operating assets and liabilities	
Accounts receivable	31,499
Prepaid expenses	(2,534)
Other assets	(114)
Accounts payable and accrued expenses	(30,817)
Taxes Payable	<u>-</u>
Net change in cash and cash equivalents	(13,325)
Cash and cash equivalents at beginning of year	<u>44,021</u>
Cash and cash equivalents at end of year	<u>\$ 30,696</u>
Supplemental cash flow information -	
Cash paid during the year for:	
Interest	\$ -
Income taxes	<u>\$ 800</u>

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*See accompanying notes to financial statements*

**NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2018**

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**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Business**

JRL Capital Corporation (the “Company”) was incorporated in California on June 4, 1981. The Company is a wholly owned subsidiary of JRL Capital Management Group (“CMG”).

The Company is registered with the Securities and Exchange Commission (“SEC”) as a broker/dealer in securities and is a member of the Financial Industry Regulatory Authority (“FINRA”). The Company is exempt from the provisions of Rule 15c3-3 (pursuant to paragraph (k)(2)(ii) of such rule) under the Securities Exchange Act of 1934, as the Company provides securities brokerage services through a smaller number of registered representatives licensed with the firm. The Company does not maintain its own securities accounts or perform custodial functions related to the securities transactions. Because of such exemption, the Company is not required to prepare a determination of reserve requirements and possession or control requirements of Rule 15c3-3.

**Liquidity and Risks**

As a small Firm, the Company relies on a smaller group of registered representatives to generate its operating cash flow, as opposed to firms with larger numbers of representatives.

The Company’s ability to continue in existence is dependent on, among other factors, the Company’s ability to continue to generate adequate cash flows from operations and from debt and equity financing to fund its operations – neither of which have been needed in recent past. The Company has addressed the factors mentioned above by focusing on its business plan to increase its transactional business and its customer base. Management believes that this plan is sufficient to allow the Company to adequately fund its operations on an annual basis. In the event that additional funds are required, CMG has committed to provide such funding.

**Registration**

The Company must register with each state department that governs compliance with securities laws for the states in which it does business. The Company generates a substantial amount of commission income in the State of California. Various regulatory requirements exist in each state with which the Company must comply. Should the Company violate certain state securities laws, it could be prohibited from doing business in that state.

**NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2018**

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**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Concentrations of Credit Risk**

*Cash and cash equivalents*

The Company maintains its cash balances at financial institutions that are insured by the Federal Deposit Insurance Corporation (“FDIC”). The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to these deposits.

*Customers*

In the normal course of business, the Company’s customer activities involve the provision of securities brokerage services through the registered representatives licensed with the Company. This is facilitated by entering into “selling group and clearing agreements” with product sponsors and/or trading/custodian firms that enable the Company’s representatives to sell financial products to clients. These activities may expose the Company to off-balance-sheet credit risk in the event the customer is unable to fulfill its contracted obligations, which to-date has never happened. The Company mitigates this risk by dealing with product sponsors and/or trading/custodian firms through an extensive review process.

For the year ended December 31, 2018, there was an increase in overall revenue with one product category accounting for 48% of the Company’s commissions revenues. This was due in part to a few larger transactions in a specific area of financial services – which is a direct result of the Firm’s focus in this type of business transaction – primarily 1031/1033 real state exchange transactions. As of December 31, 2018, revenues from over twenty product sponsors and trading/custodian firms totaled 54% of the total revenues of the Firm, which continues to indicate a broader diversity in revenue sources as compared to past years. This is a positive trend in overall operations of the Firm. If the Company’s customers decreased their activity, the reduction in commissions could have a significant impact on the Company’s commissions and operations. The Company records an allowance for doubtful receivables based on certain factors, including the length of time the receivables are past due and historical collection experience with customers. An allowance for doubtful receivables was not necessary at December 31, 2018.

**Cash and Cash Equivalents**

The Company considers highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents are recorded at cost, which approximates fair value.

**NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2018**

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**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Revenue Recognition**

For securities brokerage services, the Company recognizes commission revenue on a trade-date basis. For commissions revenue related to real estate and private placement transactions, revenue is recognized upon closing of escrow. Other revenues consist primarily of reimbursement for due diligence costs and revenues earned on marketing assistance programs with third party securities/annuities companies. The Company recognizes these revenues upon notification from the third-party securities/annuities companies of these fees.

**Income Taxes**

The Company files as part of a consolidated return of JRL Capital Management Group the Parent Company. The amount of current and deferred taxes payable or refundable is recognized as of the date of the financial statements as if the Company were a separate taxpayer in accordance with the accounting guidance for income taxes. Deferred tax assets and liabilities are recognized for future tax benefits or consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided for significant deferred tax assets when it is more likely than not, that such assets will not be realized through future operations.

The Company recognizes any uncertain tax positions on income tax returns at the largest amount that is more likely than not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. There are no unrecognized tax benefits as of the date of adoption. There are no unrecognized tax benefits included in the statement of financial condition that would, if recognized, affect the effective tax rate. The Company's policy is to recognize interest and/or penalties related to income tax matters in income tax expense. The Company had no amounts accrued for interest and penalties on its statement of financial condition at December 31, 2018.

The Company is subject to taxation in the U.S and State of California. The Company does not foresee material changes to its gross uncertain income tax position liability within the next twelve months. The Company is no longer subject to IRS or state examinations prior to 2014.

**JRL CAPITAL CORPORATION**  
(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)

**NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2018**

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**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

**Use of Estimates**

The preparation of the 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 the disclosure of contingent assets and liabilities at the date of the financial statements and the recorded amounts of revenues and expenses during the reporting period. Significant estimates made by the Company's management include but are not limited to, the collectibility of receivables and the realize-ability of deferred tax assets. Actual results could differ from those estimates.

**Subsequent Events**

The Company has evaluated and determined that no events have occurred subsequent to the statement of financial condition date and through the date of issuance of these financial statements, which would require inclusion or disclosure in its financial statements other than as described in the accompanying notes.

**NOTE 2 – INCOME TAXES**

For the year ended December 31, 2018, the provision for income taxes consists of the following:

Federal:	
Current	\$ -
Deferred	-
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	-
California:	
Current (minimum)	(800)
Deferred	0
	-----
	\$ 800

**NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2018**

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**NOTE 3 – RELATED PARTY TRANSACTIONS**

The Company has cost sharing arrangements for certain operating costs with CMG. Accordingly, the accompanying financial statements may not be indicative of the financial position or results of operations that would have occurred had the Company operated without this affiliation.

CMG provided the Company with office space, miscellaneous office expenses, due diligence and recruiting support. The Company incurred a total of \$141,526 in related party expenses for the year ended December 31, 2018. This was an overall decrease in related party expenses in 2018 primarily due to the fact that the expenses that the Parent used to incur on behalf of the Broker-Dealer were relegated to third-party resources which were recorded as cost of goods sold as they were directly tied to the income generated by transactional business. As was noted in 2017 there was and will likely continue to be a slight increase in total related party expenses primarily due to the increase in recruiting efforts of management. At December 31, 2018, the Company has no amount recorded in accounts payable and accrued expenses related to other related party expenses to CMG. Additionally, due to the increase in the 1031 exchange business, additional due diligence expenses were incurred, mostly through business relationships that work directly with CMG. These costs were reimbursed to CMG from the revenue generated by these transactions. If the Firm's efforts to expand this business continue to be successful, this protocol will likely continue moving forward.

**NOTE 4 – COMMITMENTS AND CONTINGENCIES**

**Indemnities and Guarantees**

The Company has made certain indemnities and guarantees, under which it may be required to make payments to a guaranteed or indemnified party, in relation to certain transactions. The Company indemnifies its director to the maximum extent permitted under the laws of the State of California. The duration of these indemnities and guarantees varies and, in certain cases, is indefinite. These indemnities and guarantees do not provide for any limitation of the maximum potential future payments the Company could be obligated to make. Historically, the Company has not been obligated to make any payments for these obligations and as such no liabilities have been recorded for these indemnities and guarantees in the accompanying statement of financial condition.

**Legal**

The Company, on occasion, consults with securities counsel regarding questions related to operations or securities matters. Further there is the possibility that the Firm could be involved from time to time in arbitration or claims arising in the ordinary course of its business. While the ultimate liability, if any, arising from these claims cannot be predicted with certainty, the Company believes that the resolution of these matters would not likely have a material adverse

**JRL CAPITAL CORPORATION**  
(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)

**NOTES TO FINANCIAL STATEMENTS**

**For The Year Ended December 31, 2018**

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effect on the Company's financial statements. No litigation or claims are ongoing or anticipated as of December 31, 2018.

**NOTE 5 – NET CAPITAL REQUIREMENTS**

As a registered broker-dealer, the Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires that the Company maintain a minimum net capital, as defined, and may not permit its aggregate indebtedness, as defined, to exceed fifteen times its net capital. At December 31, 2018, under the most restrictive requirement, the Company had net capital of \$56,682 - which was \$51,682 in excess of its minimum required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was 0.38 to 1.

**NOTE 6 – FAIR VALUE**

The Company adopted Financial Accounting Standards ("SFAS") ASC 820 Measurements and Disclosures, for assets measured at fair value on a recurring basis. The ASC 820 had no effect on the Company's financials

**NOTE 7 – RECENTLY ISSUED ACCOUNTING STANDARDS**

ASC 606, Revenue from Contracts with Customers, was issued on May 28, 2014. ASC 606 provides guidance related to revenue from contracts with customers. Guidance applies to all entities and to all contracts with customers, with the exception of the following transactions noted in ASC 606-10: lease contracts, insurance contracts, financial instruments and other contractual rights or obligations, guarantees, nonmonetary exchanges between entities in the same line of business. For public business entities, certain not-for-profit entities, and certain employee plans, the effective date for ASC 606 is annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. Early application is permitted only as of annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2016. The effective date for all other entities is annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019.

As of the reporting date, the company has not yet adopted the recently issued accounting standards.

**JRL CAPITAL CORPORATION**  
(A WHOLLY OWNED SUBSIDIARY OF JRL CAPITAL MANAGEMENT GROUP)

**SCHEDULE I - COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1  
OF THE SECURITIES AND EXCHANGE COMMISSION**

As of December 31, 2018

	<u>Unaudited Amounts per FOCUS Report</u>	<u>Amounts Based on Annual Report</u>	<u>Difference Increase (Decrease)</u>
<b>Net capital -</b>			
Total stockholder's equity from statement of financial condition	\$ <u>65,994</u>	\$ <u>65,994</u>	\$ <u>-</u>
<b>Deductions and/or charges:</b>			
Nonallowable assets included in the following statement of financial condition captions:			
Cash and cash equivalents	0	0	-
Accounts receivable	2,818	2,818	-
Deferred tax asset	2,960	2,960	-
Prepaid expenses	3,031	3,031	-
Haircut on securities	<u>503</u>	<u>503</u>	<u>-</u>
Total deductions and/or charges	<u>9,312</u>	<u>9,312</u>	<u>-</u>
Net capital	56,682	56,682	-
Minimum net capital required	<u>5,000</u>	<u>5,000</u>	<u>-</u>
Excess net capital	\$ <u>51,682</u>	\$ <u>51,682</u>	\$ <u>-</u>
Total aggregate indebtedness	\$ <u>21,830</u>	\$ <u>21,830</u>	\$ <u>-</u>
Ratio of aggregate indebtedness to net capital	<u>0.38 to 1</u>	<u>0.38 to 1</u>	

There were no differences between the Focus Report and the audit numbers.

**SCHEDULE II, III**

**As of December 31, 2018**

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**Schedule II**  
**Determination of Reserve Requirements**  
**Under rule 15c-3-3 of the Securities and Exchange Commission**

The company is exempt from the Reserve Requirement of computation Accounting to the provision of Rule 15c-3-3(k)(2)(ii)

**Schedule III**  
**Information Relating to Possession or Control**  
**Requirement Under Rule 15c-3-3**

The Company is exempt from the Rule 15c3-3 as it relates to Possession and Control requirements under the (k)(2)(ii)



**DAVE BANERJEE, CPA**

*An Accountancy Corporation – Member AICPA and PCAOB*

21860 Burbank Blvd., Suite 150, Woodland Hills, CA 91367 • (818) 657-0288 • FAX (818) 657-0299 • (818) 312-3283

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Larry R. Law, CEO  
JRL Capital Corporation

We have reviewed management's statements, included in the accompanying JRL Capital Corporation Exemption Report in which (1) JRL Capital Corporation, identified the following provisions of 17 C.F.R. §15c3-3(k) under which JRL Capital Corporation claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(ii) (the "exemption provision") and (2) Company, stated that JRL Capital Corporation met the identified exemption provision throughout the most recent fiscal year of 2018, without exception. JRL Capital Corporation management is responsible for compliance with the exemption provision 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 the Company's compliance with the exemption provision. 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.

Dave Banerjee CPA, an Accountancy Corporation  
We have served as the Company's auditor since 2015.  
Woodland Hills, California  
February 27, 2019

# JRL CAPITAL CORPORATION

## Exemption Report of JRL Capital Corporation

**JRL Capital Corporation** (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

(1) The Company claimed an exemption from 17 C.F.R. § 240.15c3-3 under the following provisions of 17 C.F.R. § 240.15c3-3:(k)(2)(ii).

(2) The Company met the identified exemption provisions in 17 C.F.R. § 240.15c3-3(k) (2)(ii) throughout the year ended December 31, 2018 without exception.

JRL Capital Corporation

I, Larry Law, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

  
1/29/2019