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

SEC FILE NUMBER
8-49005

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 01/01/2018 AND ENDING 12/31/2018  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Sentinel Brokers Co., Inc.**

OFFICIAL USE ONLY
FIRM I.D. NO.

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

**102 Xanadu Place**

(No. and Street)

**Jupiter**

**FL**

**33477**

(City)

(State)

(Zip Code)

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

Joseph Lawless

(561) 406-2242

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**Soles, Heyn & Company, LLP**

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

**120 S. Olive Avenue #501**

**West Palm Beach**

**FL**

**33401**

(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)

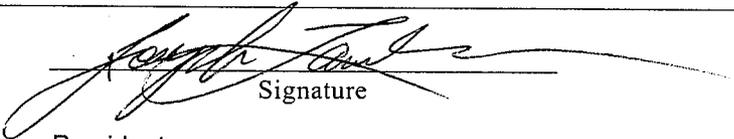
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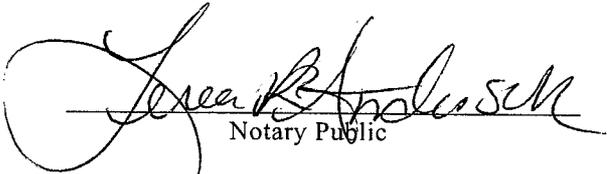
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OATH OR AFFIRMATION

I, Joseph Lawless, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Sentinel Brokers Co., Inc. 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:

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

  
Signature  
\_\_\_\_\_  
President

  
Notary Public



\_\_\_\_\_  
Title  
Tina R. Anderson  
Notary Public  
State of Florida  
My Commission Expires 4/9/19  
Commission No. FF 218804

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).

**Sentinel Brokers Company, Inc.**

**Financial Statements and Supplemental Schedules  
Required by the U.S. Securities and Exchange Commission**

**Including Independent Auditor's Report Thereon**

**For the Year-Ended December 31, 2018**

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**Sentinel Brokers Company, Inc.**

**Financial Statements and Supplemental Schedules  
Required by the U.S. Securities and Exchange Commission**

**Including Independent Auditor's Report Thereon**

**For the Year-Ended December 31, 2018**



Sentinel Brokers Company, Inc.  
**Financial Statements**  
**Statement of Financial Condition**  
As of December 31, 2018

STATEMENT OF FINANCIAL CONDITION	
DECEMBER 31, 2018	
<b>ASSETS</b>	
Cash and cash equivalents	\$ 334,917
Marketable securities	896,181
Furniture, equipment and leasehold improvements, net of accumulated depreciation and amortization of \$133,577	3,994
Other	28,463
	<b>\$1,263,555</b>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>	
<b>Liabilities</b>	
Accounts payable and accrued expenses	\$ 38,790
Accrued payroll	62,071
	<b>100,861</b>
<b>Stockholder's equity</b>	
Common stock, 200 shares authorized, 100 shares issued and outstanding, no par value	100
Paid-in capital	564,624
Retained earnings	597,970
	<b>1,162,694</b>
	<b>\$1,263,555</b>

Sentinel Brokers Company, Inc.  
Financial Statements  
**Statement of Operations**  
For the Year-Ended December 31, 2018

<b>REVENUES</b>	
Commission income	\$1,416,500
Trading Income (loss)	(87,104)
Interest and Dividend income	53,910
	1,383,306
<b>EXPENSES</b>	
Payroll and related costs	694,324
Trade processing	144,674
Occupancy costs	5,400
Other expenses	490,613
	1,335,011
<b>NET INCOME</b>	<u>\$48,295</u>

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

**Sentinel Brokers Company, Inc.**  
**Financial Statements**  
**Statement of Cash Flows**  
For the Year-Ended December 31, 2018

<b>Cash flows from operating activities</b>	
Net income	48,295
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	1,141
Changes in assets and liabilities:	
Marketable securities, net	347,990
Other assets	(28,463)
Accounts payable and accrued expenses	(45,030)
Total adjustments	
<b>Net cash from operating activities</b>	<b>323,933</b>
<b>Cash flows used in financing activities</b>	
Shareholder distributions	(68,896)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>255,037</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING</b>	<b>79,880</b>
<b>CASH AND CASH EQUIVALENTS- END</b>	<b>\$ 334,917</b>
Supplemental disclosures of cash flow information:	
Cash paid during the year for:	
Interest expense	\$ 2,300
Income taxes	\$ 232

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

**Sentinel Brokers Company, Inc.**  
**Financial Statements**  
**Statement of Changes in Ownership Equity**  
For the Year-Ended December 31, 2018

	COMMON	PAID-IN	RETAINED	
	STOCK	CAPITAL	EARNINGS	TOTAL
<b>Balance - beginning</b>	\$ 100	\$ 564,624	\$ 618,571	\$ 1,183,295
Net income			48,295	48,295
Shareholder distributions	-	-	(68,896)	(68,896)
<b>Balance - end</b>	\$ 100	\$ 564,624	\$ 597,970	\$ 1,162,694

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

# SENTINEL BROKERS COMPANY, INC.

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Sentinel Brokers Company, Inc. (the "Company") began business on January 1, 1996. The Company is primarily engaged in acting as an intermediary facilitating the trading of Municipal Bonds and Preferred Stocks between institutions. The Company has no retail customer base. The Company is a broker-dealer registered with the Financial Industry Regulatory Authority (FINRA) and the Securities Exchange Commission. The Company, as a non-clearing broker, does not handle customers' funds or securities. There were no liabilities subordinated to claims of general creditors during the year ended December 31, 2018.

#### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

#### Income Taxes

Effective July 1, 2011, the Company elected to be taxed as an "S" Corporation for federal and state income tax purposes. As an S corporation, the Company is not subject to federal income taxes and passes through substantially all taxable items to the shareholder of the Company. The Company is subject to state and local income taxes in various states.

In accordance with ASC 740, Income Taxes, the Company is required to disclose unrecognized tax benefits resulting from uncertain tax positions. The Company recognizes the accrual of any interest and penalties to recognized tax benefits in income tax expense.

At December 31, 2018 the Company did not have any unrecognized tax benefits or liabilities. No interest or penalties were recognized during the period. The Company operates in the United States and in state and local jurisdictions, and the previous three years remain subject to examination by tax authorities. There are presently no ongoing income tax examinations.

## SENTINEL BROKERS COMPANY, INC.

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

#### Securities Transactions and Commissions Revenues

##### Revenue Recognition

On January 1, 2018 the Company adopted the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers, using the modified, cumulative-effect approach wherein the guidance is applied only to existing contracts as of the date of initial application and to new contracts entered into thereafter. The new standard outlines a single comprehensive model for entities to depict the transfer of goods or services to customers in amounts that reflect the payment to which the company expects to be entitled in exchange for those goods or services. The measurement and timing of revenue recognition was not affected for any of the Company's revenue streams, the implementation of the new guidance had no impact on opening retained earnings as of January 1, 2018.

##### Commissions

**Brokerage 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 fills the trade order by finding and contracting with a counter party 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 have been transferred to/from the customer.

Securities owned are recorded at current market value. Securities not readily marketable are valued at fair as determined by management, which approximates estimated realizable value. It is reasonable possible that a change in such estimates may occur in the near term.

##### Furniture, Equipment and Leasehold Improvements

Furniture and equipment are recorded at cost. Depreciation is recorded on a straight-line basis and accelerated basis over the estimated useful life of the related assets, which range from three to five years. Leasehold improvements are amortized over the lesser of the economic life of the improvements or the term of the lease.

## Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalent and marketable securities. The Company maintains cash balances with a commercial bank and cash, money market funds and securities with a brokerage firm. At times amounts with the bank exceeded Federal Deposit Insurance Corporation limits. The amounts at the brokerage firm are covered up to Securities Investor Protection Corporation ("SIPC") limits.

The responsibility for processing customer activity rests with Hilltop Securities, Inc. ("Hilltop"). The Company's clearing and execution agreement provides that Hilltop's credit losses relating to unsecured margin accounts receivable of the Company's customers are charged back to the Company.

In accordance with industry practice, Hilltop records customer transactions on a settlement date basis, which is generally three business days after the trade date. Hilltop is therefore exposed to risk and loss on these transactions in the event of the customer's inability to meet the terms of its contracts, in which case Hilltop may have to purchase or sell the underlying financial instruments at prevailing market prices in order to satisfy its customer-related obligations. Any loss incurred by Hilltop is charged back to the Company.

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

The Company, in conjunction with Hilltop, controls off-balance-sheet risk by monitoring the market value and marketing securities to market on a daily basis and by requiring adjustments of collateral levels. Hilltop establishes margin requirements and overall credit limits for such activities and monitors compliance with the applicable limits and industry regulations on a daily basis.

**Estimates**

Management of the Company uses estimates and assumptions in preparing financial statement in accordance with accounting principles generally accepted in the United States. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses and expenses. Actual results could vary from the estimates management uses.

**Cash and Equivalents**

The Company has defined cash equivalents as highly liquid investments, purchased with original maturities of less than three months that are not held for sale in the ordinary course of business. Included in cash equivalents are money market funds and brokerage account balances.

**SUBSEQUENT EVENTS**

The Company has evaluated events subsequent to the balance sheet date for items requiring recording February 28, 2019, which is the date the financial statement, were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

**2. MARKETABLE SECURITIES**

Marketable securities totaling \$896,181 consist of municipal bonds of \$112,998 and equities of \$783,183 valued at quoted market prices.

## SENTINEL BROKERS COMPANY, INC.

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

#### 3. FAIR VALUE

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a hierarchy of fair value inputs. 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 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. Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date.
- Level 2. Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3. Unobservable inputs for the asset or liability.

The availability of observable inputs can vary from security to security and is affected by the wide variety of factors, including, for example, the type of security, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an equity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own observable, fair value is determined based on either benchmarking to similar instruments or cash flow models with yield curves, bonds, or single-name credit default swap spread and recovery rates as significant inputs. Municipal bonds are generally categorized in level 2 of the fair value hierarchy.

	<u>Level 1</u>	<u>Level 2</u>	<u>level 3</u>	<u>Total</u>
<b>Asset</b>				
<b>Municipal Bonds</b>		\$112,998		\$112,998
<b>Equity</b>				
Common Stock	\$340,757			\$340,575
Preferred Stock	\$442,426			\$442,426
	<u>\$783,183</u>	<u>\$112,998</u>		<u>\$896,181</u>

Assumptions are set to reflect those that the Company believes market participants would use in pricing the asset or liability at the measurement date.

A description of the valuation techniques applied to the company's major categories of assets and liabilities measured at fair value on a recurring basis follows.

**Exchange-Traded Equity Securities:**

Generally valued based on quoted prices from the exchange. To the extent these securities are actively traded valuation adjustments are not applied, and they are categorized in level 1 of the fair value hierarchy, otherwise, they are in level 2 of the fair value hierarchy.

**Municipal Bonds:** The fair value of municipal bonds are determined using recently executed transactions, market price quotations (when observable), bond spreads or credit default swap spreads obtained from independent external parties, such as vendors and brokers, adjusted for any basis difference between cash and derivative instruments.

**SENTINEL BROKERS COMPANY, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2018**

The spread data used are for the same maturity as the bond. If the spread data do not reference the issuer, then data that reference a comparable issuer are used. When position-specific external price data are not observable, fair value is determined based on either benchmarking to similar instruments or cash flow models with yield curves, bid, or single-named credit default swap spreads and recovery rates as significant inputs. Municipal bonds are generally categorized in level 2 or the fair value hierarchy.

**4. COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR  
BROKERS AND DEALERS PURSUANT TO RULE 15C3-3**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934 pursuant to Paragraph (k)(2)(ii). As an introducing broker, the Company clears customer transactions on a fully disclosed basis with Hilltop. Hilltop carries all of the accounts of such customers and maintains and preserves such books and records.

**5. NET CAPITAL REQUIREMENT**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule Rule (15c-3-1), 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 (and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2018, the Company had net capital of \$1,004,847, which was \$904,847 in excess of its required net capital of \$100,000. The Company had a percentage indebtedness to net capital of 10.04% as of December 31, 2018.

**6. COMMITMENTS AND CONTINGENCIES**

During 2018 the Company occupied office space on a Month-to-Month basis: that ceased on 09/30/2018. Rent expense for the year ending December 31, 2018 was approximately \$5,400.

**7. BANK CREDIT LINE**

The Company maintains a revolving line of credit with Chase Bank in the amount of \$75,000. There were no borrowings against the line as of December 31, 2018.

**Supplementary**

**Pursuant to rule 17a-5 of the**

**Securities and Exchange Act of 1934**

**As of and for the Year Ended December 31, 2018**

**Sentinel Brokers Company, Inc.**  
**Supplemental Schedules Required by Rule 17a-5**  
**As of and for the year ended December 31, 2018**

**Computation of Net Capital**

Total Stockholder's equity:		\$ 1,162,694
Nonallowable assets:		
Property and equipment	3,994	
Other investments and receivables	<u>28,463</u>	<u>(32,457)</u>
Other Charges	-	
Haircuts	100,691	
Undue Concentration	<u>24,699</u>	<u>(125,390)</u>
Net allowable capital		\$ 1,004,847

**Computation of Basic Net Capital Requirement**

Minimum net capital required as a percentage of aggregate indebtedness	<u>\$ 6,724.00</u>
--	--------------------

Minimum dollar net capital requirement of reporting broker or dealer \$ 100,000.00

Net capital requirement \$ 100,000.00

Excess net capital \$ 884,847.00

**Computation of Aggregate Indebtedness**

Total Aggregate Indebtedness \$ 100,861

Percentage of aggregate indebtedness to net capital 10.04%

**Reconciliation of the Computation of Net Capital Under Rule 15c3-1**

Computation of Net Capital reported on FOCUS IIA as of December 31, 2018 \$ 884,847.00

Adjustments:

Change in Equity (Adjustments) 0.00

Change in Non-Allowable Assets (0.00)

Change in Haircuts 0.00

Change in Undue Concentration 0.00

NCC per Audit 884,847.00

Reconciled Difference \$ (0.00)

**Sentinel Brokers Company, Inc.**

**Supplemental Schedules Required by Rule 17a-5**

**As of and for the year ended December 31, 2018**

**Exemptive Provisions Rule 15c3-3**

The Company is exempt from Rule 15c3-3 because all customer transactions are cleared through another broker-dealer on a fully disclosed basis. The name of the clearing firm is Hilltop Securities.

**Statement of Changes in Liabilities Subordinated to the Claims of General Creditors**

Balance of such claims at January 1, 2018	\$ -
Additions	-
Reductions	-
Balance of such claims at December 31, 2018	\$ -

**Sentinel Brokers Company, Inc.**  
**Supplementary Schedules Pursuant to SEA Rule 17a-5**  
**Of the Securities and Exchange Act of 1934**  
6As of and for the Year-Ended December 31, 2018

Auditors Review of Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2)

**REPORT ON SIPC ASSESSMENT RECONCILIATION**

**For the year ended December 31, 2018**

# SOLES, HEYN & COMPANY

*Accountants and Consultants*

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

Board of Directors of Sentinel Brokers Company, 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 Sentinel Brokers Company, Inc. (Company) and the SIPC, solely to assist you and the SIPC in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2018. Management of the Company is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with the standards of 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 amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2018, with the Total Revenue amounts reported in Form SIPC-7 for the year ended December 31, 2018 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; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed noting no differences.

We were not engaged to, and did not conduct an examination or a review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Company's compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2018. 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 the Company and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

*Soles, Heyn & Company, LLP*

West Palm Beach, FL  
February 28, 2019

SIPC-7

(36-REV 12/18)

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

General Assessment Reconciliation

SIPC-7

(36-REV 12/18)

For the fiscal year ended 12/31/2018  
(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:

10\*10\*\*\*\*\*1865\*\*\*\*\*MIXED AADC 220  
49005 FINRA DEC  
SENTINEL BROKERS COMPANY INC  
102 XANADU PL  
JUPITER, FL 33477-6456

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.

- 2. A. General Assessment (item 2e from page 2) \$ 1,940
- B. Less payment made with SIPC-6 filed (exclude interest) ( 1,066 )  
7-24-18  
Date Paid
- C. Less prior overpayment applied ( - )
- D. Assessment balance due or (overpayment) 874
- 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) \$ 874
- G. PAYMENT:  the box  
Check mailed to P.O. Box  Funds Wired  ACH   
Total (must be same as F above) \$ 874
- H. Overpayment carried forward \$(                      )

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.

SENTINEL BROKERS Co., INC.

(Name of Corporation, Partnership or other organization)

*[Signature]*

(Authorized Signature)

PRESIDENT

(Title)

Dated the 17 day of JANUARY, 20 19.

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 1/1/2018  
and ending 12/31/2018

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

Eliminate cents

\$ 1,383,307

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):

89,825

(Deductions in excess of \$100,000 require documentation)

(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

2d SIPC Net Operating Revenues

\$ 1,293,482

2e. General Assessment @ .0015

\$ 1,940

(to page 1, line 2.A.)

February 28, 2019

To Whom it May Concern:

Sentinel Brokers Company, Inc.'s ; EXEMPTION REPORT

Sentinel Brokers Company, 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 broker-dealers"). This exemption report was made 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 provisions of 17 C.F.R. , 240.15c3-3(k)(2)(ii):
- 2) The company met the identified exemption provision in 17 C.F.R. , 240.15c3-3(k)(2)(ii) throughout the most recent fiscal year without exception.

I, Joseph Lawless, swear that, to the best of my knowledge and belief: this Exemption Report is true and correct.



Joseph Lawless

President

**Sentinel Brokers Company, Inc.**  
**Supplementary Schedules Pursuant to SEA Rule 17a-5**  
**Of the Securities and Exchange Act of 1934**  
As of and for the Year-Ended December 31, 2018

Exemption Report Pursuant to SEA Rule 17a-5(d)(1)(i)(B)(2)

**REPORT ON BROKER DEALER EXEMPTION**

**For the year ended December 31, 2018**

# SOLES, HEYN & COMPANY

*Accountants and Consultants*

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders  
of Sentinel Brokers Company, Inc.

We have reviewed management's statements, included in the accompanying Sentinel Brokers Company, Inc. Exemption Report, in which (1) Sentinel Brokers Company, Inc. (the "Company") identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3: ((k)(2)(ii)) (the "exemption provisions") and (2) the Company stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company'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 the Company'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.

*Soles, Heyn & Company, LLP*

West Palm Beach, FL

February 28, 2019