



20003641

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	August 31, 2020
Estimated average burden	
hours per response.....	12.00

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

SEC FILE NUMBER
8-66778

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 01/01/2019 AND ENDING 12/31/2019  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Transact Capital Securities, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
4991 Lake Brook Dr., Suite 150

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)

Glen Allen Virginia 23060  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Jim Sowers (804) 812-7110  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Alvarez & Associates, Inc. Certified Public Accountants  
(Name - if individual, state last, first, middle name)

9221 Corbin Avenue, Suite 165 Northridge CA 91324  
(Address) (City) (State) (Zip Code)

SEC  
Mail Processing  
Section  
FEB 10 2020  
Washington DC  
413

CHECK ONE:

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

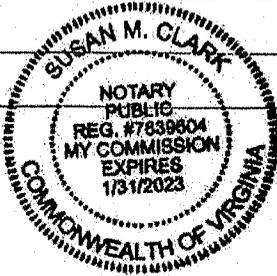
<b>FOR OFFICIAL USE ONLY</b>
------------------------------

\*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)

300

OATH OR AFFIRMATION

I, James Z. Sowers, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Transact Capital Securities, LLC, as of December 31, 2019, 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 of James Z. Sowers, Chief Executive Officer

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...
(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).

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of VA, County of Henrico

Subscribed and sworn to (or affirmed) before me on this 15 day of January, 2020 by

Susan Clark proved to me on the basis of satisfactory evidences to be the person who appeared before me.

Notary Public Susan Clark

**TRANSACT CAPITAL SECURITIES, LLC**  
**Table of Contents**

	<u>Page</u>
Report of Independent Registered Public Accounting Firm	1
Financial Statement:	
Statement of Financial Condition	2
Notes to Financial Statement	3



**ALVAREZ & ASSOCIATES, INC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To Those Charged with Governance and Member of Transact Capital Securities, LLC:

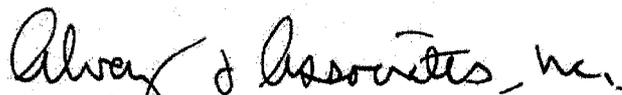
**Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of Transact Capital Securities, LLC (the "Company") as of December 31, 2019, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of the Company as of December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is 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 statement, 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.

  
Alvarez & Associates, Inc.

We have served as the Company's auditor since 2019.  
Northridge, California  
February 4, 2020

**TRANSACT CAPITAL SECURITIES, LLC**  
**Statement of Financial Condition**  
**December 31, 2019**

Assets

Cash	\$ <u>12,346</u>
Total assets	\$ <u>12,346</u>

Liabilities and Member's Equity

Liabilities	\$ -
Member's equity	<u>12,346</u>
Total liabilities and member's equity	\$ <u>12,346</u>

\*See accompanying notes to financial statement

**TRANSACT CAPITAL SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENT**  
**December 31, 2019**

**Note 1—Organization and nature of business**

**Organization** – Transact Capital Securities, LLC (the “Company”), a wholly owned subsidiary of Transact Capital Partners LLC (the “Parent”), was incorporated in the state of Virginia on August 3, 2003. The Company is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). The Company engages primarily in M&A Advisory, and debt and equity placements.

The Parent is a structured business transfer, business valuations, and growth services company. The Parent’s liability, as the sole member of the Company, is limited in that in any proceeding brought by or in the name of the Company, the Parent shall not have liability for damages other than for willful misconduct or a knowing violation of the criminal law.

**Note 2—Summary of significant accounting policies**

**Basis of Presentation** – The preparation of the Company’s financial statement in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions as to reported amounts and disclosures in the financial statements. Management believes that the estimates used in preparing the financial statements are reasonable and prudent. Actual results could differ from the estimates included in the financial statements.

**Risks and Uncertainties** – The Company places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation (“FDIC”) provides insurance coverage for up to \$250,000 for substantially all depository accounts. The Company from time to time may have amounts on deposit in excess of the insured limits. As of December 31, 2019, the Company had no uninsured deposits.

**Income Taxes** – The Company has elected to be treated as a limited liability company for federal, state, and local income tax purposes. Accordingly, all items of income, expense, gain, and loss of the Company are generally reportable on the tax return of its Parent. Management has evaluated all tax positions that could have a significant effect on the financial statements and determined the Company did not have any uncertain income tax positions at December 31, 2019. The Company is not currently under audit by any tax jurisdiction.

**Fair Value Measurements** – The carrying amounts of total assets approximates fair value because of the short-term nature of these instruments or because the contractual interest rates associated with these assets are considered to be at market rates.

**TRANSACT CAPITAL SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENT, CONTINUED**  
**December 31, 2019**

**Note 3—Related party transactions**

The Company is charged an allocable portion of certain costs, including employee compensation and benefits, occupancy, depreciation of fixed assets, and general and administrative costs, all incurred by its Parent on behalf of the Company. These costs are allocated to the Company using various measures that management believes are consistent with the types of costs covered by an expense agreement with the Parent.

**Note 4—Regulatory requirements**

As a registered broker-dealer, the Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule ("Rule 15c3-1"). Rule 15c3-1 requires the maintenance of minimum net capital of \$5,000 and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 further requires that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. In addition, certain advances, payment of dividends and other equity withdrawals are subject to certain notification provisions of Rule 15c3-1.

At December 31, 2019, the Company had net capital of \$12,346 as defined under Rule 15c3-1, which exceeded the requirements by \$7,346. The Company's ratio of aggregate indebtedness to net capital at December 31, 2019 was 0 to 1.

The Company is exempt under Rule 15c3-3(k)(2)(i) from preparing the Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.

**Note 5—Subsequent events**

Management has evaluated subsequent events for potential recognition and/or disclosure in the December 31, 2019 financial statements through the date the Company's financial statements were available to be issued and determined that no events have occurred that would require recording or disclosure in the financial statements.

**TRANSACT CAPITAL SECURITIES, LLC**

**Statement of Financial Condition**

**As of December 31, 2019**

**SEC ID 8 - 66778**

**Filed pursuant to Rule 17a-5(e)(3) as a  
PUBLIC DOCUMENT.**