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

| |
|-----------------|
| SEC FILE NUMBER |
| 8-68238 |

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: China eCapital Partners, LLC

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

11150 Santa Monica Blvd #450

| |
|-------------------|
| OFFICIAL USE ONLY |
| FIRM I.D. NO. |

(No. and Street)
 Los Angeles California 90025
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
 Dan Chen (310) 861-2100
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Brian Anson, CPA

18401 Burbank Blvd #120 Tarzana California 91356
(Address) (City) (State) (Zip Code)

SEC
 Mail Processing
 Section
 JAN 27 2020
 Securities and Exchange Commission
 Washington, DC
 413
 JAN 27 2020

CHECK ONE:

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

| |
|------------------------------|
| FOR OFFICIAL USE ONLY |
| |

RECEIVED

*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)

RMS

Los Angeles

California

January 16, 2020

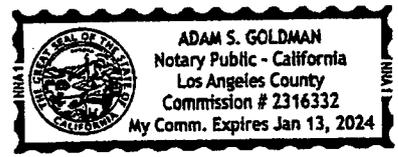
OATH OR AFFIRMATION

I, Daniel Kosho Chen, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of China eCapital Partners, 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:

Dall
Signature

Managing Director
Title

Adam S. Goldman
Notary Public



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

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

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

CHINA ECAPITAL PARTNERS, LLC

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BRIAN W. ANSON

Certified Public Accountant

18401 Burbank Blvd., Suite 120, Tarzana, CA 91356 • Tel. (818) 636-5660 • Fax (818) 401-8818

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders' and Board of Members of China eCapital Partners, LLC

Opinion on the Financial Statements

I have audited the accompanying statement of financial condition of China eCapital Partners, LLC as of December 31, 2019, the related statements of operations, changes in members' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the financial statements). In my opinion, the financial statements present fairly, in all material respects, the financial position of China eCapital Partners, LLC as of December 31, 2019, 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 China eCapital Partners, LLC's management. My responsibility is to express an opinion on China eCapital Partners, LLC's financial statements based on my audit. I am a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and am required to be independent with respect to China eCapital Partners, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

I conducted my audit in accordance with the standards of the PCAOB. Those standards require that I 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. My 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. My audit also included evaluating the accounting principles used and significant estimates made by management, as evaluating the overall presentation of the financial statements. I believe that my audit provides a reasonable basis for my opinion.

Auditor's Report on Supplemental Information

The information contained in Schedule I, II, and III ("Supplemental Information") has been subjected to audit procedures performed in conjunction with the audit of the China eCapital Partners, LLC's financial statements. The Supplemental Information is the responsibility of the China eCapital Partners, LLC's management. My 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 my opinion on the Supplemental Information, I evaluated whether the Supplemental Information, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In my opinion, Schedules I, II, and III are fairly stated, in all material respects, in relation to the financial statements taken as a whole.



Brian W. Anson

Certified Public Accountant

I have served as China eCapital Partners, LLC's auditor since 2010.

Tarzana, California

January 15, 2020

CHINA ECAPITAL PARTNERS, LLC

Statement of Financial Condition
December 31, 2019

ASSETS

| | | |
|---|----|----------------|
| Cash | \$ | 314,915 |
| Accounts receivable | | 6,720 |
| Fixed assets, net of accumulated depreciation of \$137,856 | | 634 |
| Right of use asset - office lease | | 115,265 |
| Other Assets | | 25,138 |
| Total assets | \$ | <u>462,672</u> |

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES

| | | |
|---------------------------|----|----------------|
| Accounts payable | \$ | 35,773 |
| Accrued paid time off | \$ | 26,809 |
| Accrued expenses | | 282 |
| Operating lease liability | | 115,265 |
| Total liabilities | | <u>178,129</u> |

MEMBERS' EQUITY:

| | | |
|---------------------------------------|----|----------------|
| Members' equity | | <u>284,543</u> |
| Total members' equity | | <u>284,543</u> |
| Total liabilities and members' equity | \$ | <u>462,672</u> |

CHINA ECAPITAL PARTNERS, LLC

Statement of Operations
For the year ended December 31, 2019

REVENUES:

| | |
|------------------------|------------------|
| Advisory fees | \$25,000 |
| Private placement fees | 649,999 |
| Total income | <u>\$674,999</u> |

EXPENSES:

| | |
|---|------------------|
| Business development | 97,102 |
| Depreciation | 9,192 |
| Insurance | 73,492 |
| Office expense | 76,684 |
| Professional fees | 74,301 |
| Rent | 175,152 |
| Salaries and wages | 1,371,788 |
| Travel and entertainment | 20,556 |
| Other general and administrative expenses | 48,417 |
| Total expenses | <u>1,946,684</u> |

LOSS BEFORE INCOME TAXES (1,271,685)

INCOME TAX PROVISION (Note 3)

Income tax expense 3,300

NET LOSS \$ (1,274,985)

CHINA ECAPITAL PARTNERS, LLC

Statement of Changes in Members' Equity
For the year ended December 31, 2019

| | Total Members' Equity |
|-----------------------------------|-----------------------------|
| Beginning balance January 1, 2019 | \$ 659,528 |
| Capital contributions | 900,000 |
| Net loss | (1,274,985) |
| Ending balance December 31, 2019 | \$ 284,543 |

CHINA ECAPITAL PARTNERS, LLC

Statement of Cash Flows
For the year ended December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:

| | |
|---|--------------------|
| Net loss | \$ (1,274,985) |
| Adjustments to reconcile net loss to net cash used in operating activities: | |
| Depreciation | 9,192 |
| (Increase) decrease in: | |
| Accounts receivable | 9,500 |
| Other assets | (10,434) |
| Increase (decrease) in: | |
| Accounts payable | (65,010) |
| Accrued paid time off | 26,809 |
| Accrued expenses | 282 |
| Accrued payroll | (9,216) |
| | - |
| Total adjustments | <u>(38,877)</u> |
| Net cash used in operating activities | <u>(1,313,862)</u> |

CASH FLOWS FROM FINANCING ACTIVITIES:

| | |
|---|-------------------|
| Capital contributions | <u>900,000</u> |
| Net cash provided by financing activities | <u>900,000</u> |
| Decrease in cash | (413,862) |
| Cash-beginning of period | 728,777 |
| Cash-end of period | <u>\$ 314,915</u> |

Supplemental disclosure of cash flow information

Cash paid during the year for:

| | |
|-----------------------------------|------------|
| Interest | \$ - |
| Income taxes | \$ 800 |
| Right of use asset - office lease | \$ 115,265 |

CHINA ECAPITAL PARTNERS, LLC
Notes to Financial Statements
For the year ended December 31, 2019

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

China eCapital Partners, LLC, (the "Company"), was formed in March, 2017, in the State of California as a limited liability company. The Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA") and Securities Investor Protection Corporation ("SIPC"). The Company is authorized to engage in private placements of securities and merger and acquisition advisory services. The Company does not hold customer funds or safeguard customer securities.

The presentation 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

96% of the revenues during the year was from two clients.

Revenue is measured based on a consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfied a performance obligation by transferring control over a product or service to a customer.

Taxes and regulatory fees assessed by a government authority or agency that are both imposed on and concurrent with a specified revenue-producing transaction, that are collected by the Company from a customer, are excluded from revenue.

Fees earned: This includes fees earned from affiliated entities; investment banking fees, M&A advisory; account supervision and investment advisory fees; administrative fees, revenue from research services; rebates from exchanges/ECN and ATS; 12b-1 fees; Mutual fund fees other than concessions or 12b-1 fees; execution service fees; clearing services; fees earned from customer bank sweep into FDIC insured products or from '40 Act companies and networking fees from '40 Act companies.

Property and equipment are stated at cost. Purchases over \$1,000 are capitalized. Repairs and maintenance to these assets are charged to expense as incurred; major improvements enhancing the function and/or useful life are capitalized. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gains or losses arising from such transactions are recognized. Property and equipment are depreciated over their estimated useful lives of five (5) to forty (40) years by the straight-line method.

Accounts receivable are stated at face amount with no allowance for doubtful accounts. An allowance for doubtful accounts is not considered necessary because probable uncollectible accounts are immaterial.

The Company, with the consent of its Members, has elected to be a Limited Liability Company. For tax purposes, the Company is treated like a partnership, therefore in lieu of business income taxes, the Members are taxed on the Company's taxable income. Accordingly, no provision or liability for Federal Income Taxes is included in these financial statements. The State of California has similar treatment, although there exists a provision for a minimum Franchise Tax of \$800 plus a fee based upon gross receipts.

The Company is subject to audit by the taxing authorities for years ending December 31, 2017, and 2018.

CHINA ECAPITAL PARTNERS, LLC
Notes to Financial Statements
For the year ended December 31, 2019

The management has reviewed the results of operations for the period of time from its year end December 31, 2019 through January 15, 2020 the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred except for a capital contribution of \$250,000 on January 9, 2020, the nature of which would require disclosure.

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritized the inputs to valuation techniques. 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 liability or, in the absence of a principal market, the most advantageous market for the asset or liability. Valuation techniques that are 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 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

There were no levels to measure at December 31 2019.

Note 2: PROPERTY AND EQUIPMENT, NET

Property and equipment are recorded at cost and summarized by major classifications as follows:

| | |
|-------------------------------|------------------|
| Computer hardware | \$ 59,719 |
| Furniture and equipment | <u>78,788</u> |
| | 138,507 |
| Less accumulated depreciation | <u>(137,856)</u> |
| Fixed assets, net | <u>\$ 634</u> |

For the year ended December 31, 2019, depreciation expense was \$9,192.

CHINA ECAPITAL PARTNERS, LLC
Notes to Financial Statements
For the year ended December 31, 2019

Note 3: INCOME TAXES

At December 31, 2019 the Company is subject to a limited liability company gross receipts fee of \$2,500 and a minimum franchise tax of \$800.

Note 4: COMMITMENTS AND CONTINGENCIES

On November 1, 2017 the Company entered into a new operating lease at a new location covering its offices through October 31, 2020. Minimum future rental commitments are:

| <u>Year Ending</u> | <u>Amount</u> |
|--------------------|------------------|
| December 31, 2020 | <u>\$118,900</u> |
| | \$ 118,900 |

Rent expense for year ended December 31, 2019 was \$ 175,152.

The Company adopted ASC Topic 842 standard on leases on January 1, 2019. The Right of Use asset is the office lease for Los Angeles, California. The present value of \$115,265 was calculated using a 3.154% discount rate which is the remaining balance at December 31, 2019.

Note 5: NET CAPITAL

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2019 the Company had net capital of \$252,051, which was \$247,051 in excess of its required net capital of \$5,000 and the Company's ratio of aggregate indebtedness \$62,864 to net capital was 0.25 to 1, which is less than the 15 to 1 maximum ratio allowed for a broker dealer.

CHINA ECAPITAL PARTNERS, LLC

Statement of Net Capital
 Schedule I
 For the year ended December 31, 2019

| | Focus 12/31/19 | Audit 12/31/19 | Change |
|--|-------------------|-------------------|--------|
| Members' equity, December 31, 2019 | \$ 284,543 | \$ 284,543 | \$ - |
| Subtract - Non allowable assets: | | | |
| Accounts receivable | 6,720 | 6,720 | |
| Fixed assets | 634 | 634 | - |
| Other assets | 25,138 | 25,138 | - |
| Tentative net capital | <u>252,051</u> | <u>252,051</u> | - |
| Haircuts | 0 | 0 | - |
| NET CAPITAL | <u>252,051</u> | <u>252,051</u> | - |
| Minimum net capital | 5,000 | 5,000 | - |
| Excess net capital | <u>\$ 247,051</u> | <u>\$ 247,051</u> | - |
| Aggregate indebtedness | 62,864 | 62,864 | - |
| Ratio of aggregate indebtedness to net capital | 0.25% | 0.25% | |

There were no recorded differences between the audit and focus at December 31, 2019.

CHINA ECAPITAL PARTNERS, LLC

Schedule II
Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
December 31, 2019

The Company is exempt from the Reserve Requirement of computation according to the provision of Rule 15c3-3(k)(2)(i).

Schedule III
Information Relating to Possession or Control
Requirements Under Rule 15c3-3
December 31, 2019

The Company is exempt from the Rule 15c3-3 as it relates to possession and Control requirements under the (k)(2)(i) exemptive provision.

Assertions Regarding Exemption Provisions

We, as members of management of China eCapital Partners, LLC (“the Company”), are responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker or dealer’s designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

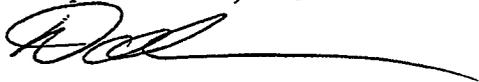
Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3, Paragraph (k)(2)(i).

Statement Regarding Meeting Exemption Provision:

The Company met the identified exemption provision without exception throughout the period ending January 1, 2019 through December 31, 2019.

China eCapital Partners, LLC

By: 

Daniel Chen Managing Director

(Name and Title)

January 15, 2020

(Date)

BRIAN W. ANSON

Certified Public Accountant

18401 Burbank Blvd., Suite 120, Tarzana, CA 91356 • Tel. (818) 636-5660 • Fax (818) 401-8818

**REPORT OF INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM**

Board of Members

China eCapital Partners, LLC

Los Angeles, California

I have reviewed management's statements, included in the accompanying Exemption Report in which (1) China eCapital Partners, LLC, identified the following provisions of 17 C.F.R. §15c3-3(k) under which China eCapital Partners, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(i) (the "exemption provision") and (2) China eCapital Partners, LLC, stated that China eCapital Partners, LLC, met the identified exemption provision throughout the most recent year without exception. China eCapital Partners, LLC's management is responsible for compliance with the exemption provision and its statements.

My 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 China eCapital Partners, LLC'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, I do not express such an opinion.

Based on my review, I am 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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Brian W. Anson

Certified Public Accountant

Tarzana, California

January 15, 2020

CHINA ECAPITAL PARTNERS, LLC

FINANCIAL STATEMENTS
AND
ACCOMPANYING SUPPLEMENTARY INFORMATION

REPORT PURSUANT TO SEC RULE 17a-5(d)

FOR THE YEAR ENDED
DECEMBER 31, 2019