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

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

SEC FILE NUMBER
8-52415

**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:

AVANZA CAPITAL MARKETS INC.

OFFICIAL USE ONLY

FIRM ID. NO.

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

135 EAST 57TH STREET, 18TH FLOOR

(No. And Street)

SEC Mail Processing

NEW YORK

NY

(City)

(State)

10022
MAR 17 2020
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT **Washington, DC**

DENNIS DUMAS

212-542-4444

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report *

Raphael Goldberg Nikpour Cohen & Sullivan
Certified Public Accountants PLLC

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

97 Froehlich Farm Blvd.

Woodbury

NY

11797

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

**CONFIDENTIAL
TREATMENT
REQUESTED**

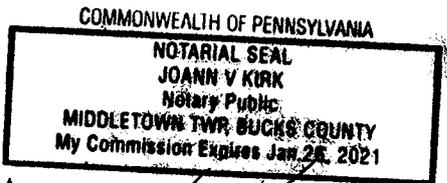
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as basis for the exemption. See section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

I, DENNIS R DUMAS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of AVANZA CAPITAL MARKETS INC., 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:



Handwritten signature of Joann V Kirk, Notary Public, dated March 13, 2020.

Signature of Dennis R Dumas, President and CCO.

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

- Checklist of report contents: (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 Proprietor's 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 or 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 previous audit, (o) Supplemental Independent Auditors' Report on Internal Accounting Control.

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

AVANZA CAPITAL MARKETS, INC.
(A Wholly-Owned Subsidiary of Avila Capital Markets Group, LLC)
FOR THE YEAR ENDED DECEMBER 31, 2019

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These financial statements and supplemental information are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities and Exchange Commission.



Mark C. Goldberg, CPA
Mark Raphael, CPA
Floria Samii-Nikpour, CPA
Allan B. Cohen, CPA
Michael R. Sullivan, CPA

Founding Partner:
Melvin Goldberg, CPA

Anita C. Jacobsen, CPA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders
of Avanza Capital Markets, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Avanza Capital Markets, Inc. (the "Company") (a Delaware corporation), as of December 31, 2019 and the related statement of operations, changes in subordinated liabilities, changes in shareholders' equity, and cash flows for the year ended December 31, 2019, and the related notes to the financial statements and supplemental information. In our opinion, the financial statements present fairly, in all material respects, the financial position of Avanza Capital Markets, Inc. as of December 31, 2019, and the results of its operations and its cash flows for the year ended December 31, 2019, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's 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 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 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.

Auditors' Report on Supplemental Information

The supplemental information, the Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission and the Computation for Determination of Reserve Requirements and information Relating to Possession and Control Requirements under SEC Rule 15c3-3 as contained on pages 14, 15 and 16, has been subjected 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, the supplemental information, the Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission and the Computation for Determination of Reserve Requirements and information Relating to Possession and Control Requirements under SEC Rule 15c3-3, is fairly stated in all material respects, in relation to the financial statements as a whole.

Raphael Goldberg Nikpour Cohen & Sullivan CPAs PLLC

Raphael Goldberg Nikpour Cohen & Sullivan
Certified Public Accountants PLLC

We have served as the Company's auditors since 2016.

Woodbury, New York
March 12, 2020

AVANZA CAPITAL MARKETS, INC.
(A Wholly-Owned Subsidiary of Avila Capital Markets Group, LLC)

STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2019

ASSETS

Cash and cash equivalents	\$ 23,269
Due from brokers	8,427
Accounts receivable	11,970
Deposits with clearing brokers	753,505
Prepaid expenses and other assets	49,250
TOTAL ASSETS	<u>\$ 846,421</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:	
Accounts payable and accrued expenses	\$ 44,153
Commissions and fees payable	1,444
Subordinated borrowing	250,000
TOTAL LIABILITIES	<u>\$ 295,597</u>

Stockholder's equity:

Common stock, 1,000 shares authorized, \$.001 par value; 510 shares issued and outstanding	1
Additional paid-in capital	1,779,937
Accumulated deficit	<u>(1,229,114)</u>
TOTAL STOCKHOLDER'S EQUITY	550,824
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	<u>\$ 846,421</u>

See accompanying notes to financial statements.

These financial statements and supplemental information are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities and Exchange Commission.

AVANZA CAPITAL MARKETS, INC.
(A Wholly-Owned Subsidiary of Avila Capital Markets Group, LLC)

STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019

Revenue:	
Commissions and fees	\$ 635,298
Interest and other income	<u>275,633</u>
Total revenue	<u>910,932</u>
Expenses:	
Employee compensation, benefits and related costs	623,167
Commissions, clearing and execution	206,468
Professional fees	57,322
Consulting	7,500
Rent, occupancy and related costs	68,269
Market data	30,532
Communications	25,067
Interest expense	8,759
Licenses and registrations	16,644
Office expenses	28,056
Other	<u>20,672</u>
Total expenses	<u>1,092,456</u>
Net Loss	<u>\$ (181,524)</u>

See accompanying notes to financial statements.

These financial statements and supplemental information are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities and Exchange Commission.

AVANZA CAPITAL MARKETS, INC.
(A Wholly-Owned Subsidiary of Avila Capital Markets Group, LLC)

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2019

	Common Stock	Additional Paid-in Capital	Accumulated deficit	Total
Balance - beginning of the year	\$ 1	\$ 1,666,141	\$ (1,047,589)	\$ 618,553
Contributions (withdrawals)	-	113,795	-	113,795
Net Loss	-	-	(181,524)	(181,524)
Balance - end of the year	<u>\$ 1</u>	<u>\$ 1,779,936</u>	<u>\$ (1,229,113)</u>	<u>\$ 550,824</u>

See accompanying notes to financial statements.

These financial statements and supplemental information are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities and Exchange Commission.

AVANZA CAPITAL MARKETS, INC.
(A Wholly-Owned Subsidiary of Avila Capital Markets Group, LLC)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

Cash flows from operating activities:	
Net Loss	\$ (181,526)
Changes in operating assets and liabilities:	
Due from brokers	34,176
Account receivables	10,802
Prepaid expenses and other assets	(25,415)
Accounts payable and accrued expenses	22,420
Commissions and fees payable	(2,920)
Net cash used in operating activities	<u>(142,463)</u>
Cash used in financing activities:	
Capital Contribution	<u>113,795</u>
Net cash used in financial activities	<u>113,795</u>
Net decrease in cash and cash equivalents	(28,668)
Cash, beginning of the year	51,938
Cash, end of the year	<u>\$ 23,269</u>
Supplemental disclosure of cash flow information:	
Interest paid	<u>\$ 8,759</u>

See accompanying notes to financial statements.

These financial statements and supplemental information are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities and Exchange Commission.

AVANZA CAPITAL MARKETS, INC.
(A Wholly-Owned Subsidiary of Avila Capital Markets Group, LLC)
STATEMENT OF CHANGES IN SUBORDINATED BORROWINGS
FOR THE YEAR ENDED DECEMBER 31, 2019

Subordinated borrowings, beginning of the year	<u>\$ 250,000</u>
Subordinated borrowings, end of the year	<u>\$ 250,000</u>

See accompanying notes to financial statements.

These financial statements and supplemental information are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities and Exchange Commission.