

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

SEC FILE NUMBER
<b>8-69931</b>

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 10/01/18 AND ENDING 09/30/19  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Doeren Mayhew Capital Advisors, LLC**

OFFICIAL USE ONLY
FIRM I.D. NO.

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

**One Riverway, Suite 1200**

(No. and Street)

**Houston**

(City)

**Texas**

(State)

**77056**

(Zip Code)

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

Jennifer Mailhes 713-860-0215

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**Elliott Davis**

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

**200 East Broad St., Ste 500**

(Address)

**Greenville**

(City)

**SC**

(State)

**29601**

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

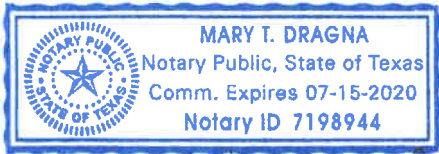
Accountant not resident in United States or any of its possessions.

**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)

OATH OR AFFIRMATION

I, Jennifer Mailhes, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Doeren Mayhew Capital Advisors, LLC, as of September 30, 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:



Mary Theresa Dragna
Notary Public

[Handwritten Signature]
Signature

President
Title

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).

**DOEREN MAYHEW CAPITAL ADVISORS, LLC**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2019

*Filed as PUBLIC information pursuant to Rule 17a-5(d)  
under the Securities Exchange Act of 1934*

# DOEREN MAYHEW CAPITAL ADVISORS, LLC

## TABLE OF CONTENTS

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	<u>Page</u>
<b>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.....</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Condition.....	2
Notes to Financial Statements .....	3



## Report of Independent Registered Public Accounting Firm

The Members  
Doeren Mayhew Capital Advisors, LLC  
Houston, Texas

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Doeren Mayhew Capital Advisors, LLC (the "Company") as of September 30, 2019, and the related notes to the financial statement (collectively, the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of September 30, 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 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

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 statement. 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 statement. We believe that our audit provides a reasonable basis for our opinion.

*Elliott Davis, LLC*

We have served as the Company's auditor since 2018.

Greenville, South Carolina  
November 27, 2019

# DOEREN MAYHEW CAPITAL ADVISORS, LLC

## STATEMENT OF FINANCIAL CONDITION

SEPTEMBER 30, 2019

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### Assets

Cash and cash equivalents	\$	8,371,410
Accounts receivable - trade		758,493
Prepaid expenses		<u>6,570</u>
Total assets	\$	<u><u>9,136,473</u></u>

### Liabilities and Member's Equity

#### Liabilities:

Accounts payable	\$	2,532,231
Deferred revenue		<u>14,810</u>
Total liabilities		2,547,041
Member's equity		<u>6,589,432</u>
Total liabilities and member's equity	\$	<u><u>9,136,473</u></u>

See accompanying notes to financial statements.

# DOEREN MAYHEW CAPITAL ADVISORS, LLC

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2019

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### Note 1 - Organization and Nature of Business

Doeren Mayhew Capital Advisors, LLC (the “Company”), a limited liability company organized in Michigan, is a broker dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority, Inc. (FINRA). The Company commenced operations on April 9, 2017 upon obtaining its broker-dealer registration. The Company acts as an agent in merger and acquisition transactions as well as arranges debt and equity financing. The Company also provides general advisory services to corporate clients. The Company is 100% owned by DMCA Holdings, LLC.

### Note 2 - Significant Accounting Policies

#### Use of Estimates

The preparation 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Investment Banking Revenues

Investment banking revenues include fees earned from providing merger and acquisition and other advisory services. Revenue from sale transactions is generally computed based on agreed upon percentages of the sales price for businesses sold by the Company and is reported as revenue earned upon consummation of the sale transaction. Revenue from consulting projects is reported when earned. Revenue from commitment fees, generally paid in advance and at times credited against the final transaction fee, is recognized as billed under the terms of the engagements.

#### Income Taxes

The Company is a limited liability company taxed as a partnership for federal income tax purposes. Accordingly, no provision for federal income taxes has been recorded in the accompanying financial statements since the taxable income or loss is included in the income tax returns of the members. As the Company is not liable for federal income tax, the Company has recorded no liability associated with uncertain tax positions. The Company files income tax returns in the US federal jurisdiction. The statute of limitation for the Internal Revenue Service “IRS” examination of the Company’s federal tax returns is determined by the statute governing the tax returns of its members.

#### Cash and Cash Equivalents

The Company maintains cash on deposit with one banking institution. At times, deposits may exceed the Federal Deposit Insurance Corporation (FDIC) coverage limits.

For purposes of the statement of cash flows, the Company has defined cash equivalents as highly liquid investments with original maturities of less than three months that are not held for sale in the ordinary course of business.

# DOEREN MAYHEW CAPITAL ADVISORS, LLC

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2019

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### Note 2 - Significant Accounting Policies (Continued)

#### Concentrations

The Company is project based and generally does not have recurring sources of revenue.

#### Recently Issued Standards

In May 2014, the Financial Accounting Standards Board ("FASB") issued guidance to change the recognition of revenue from contracts with customers. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The guidance became effective for the Company reporting periods beginning after December 15, 2017. On October 1, 2018, the Company adopted ASU No. 2014-09 "Revenue from Contracts with Customers" (Topic 606) and all subsequent ASUs that modified Topic 606 using the modified retrospective approach.

Under Topic 606, the Company must identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when (or as) the Company satisfies a performance obligation.

The Company's revenue is comprised of investment banking fees earned from providing merger and acquisition and other advisory services. The Company has performed an assessment of its contracts related to revenue streams that are within the scope of the standard. As such, the Company's accounting policies have not changed materially since the principles of revenue recognition from the guidance are largely consistent with prior guidance and current practices applied by the Company. Furthermore, significant revenue has not been recognized in the current reporting period that resulted from performance obligations satisfied in previous periods.

In February 2016, FASB amended the Lease topic of the Accounting Standards Codification to revise certain aspects of recognition, measurement, presentation, and disclosure of leasing transactions. The amendments will be effective for fiscal years beginning after December 15, 2018. We expect to adopt the guidance using a modified retrospective method and practical expedients for transition. The practical expedients allow us to largely account for our existing leases consistent with current guidance except for the incremental statement of financial condition recognition for lessees. The Company does not expect a material effect from implementation of the new standard on its net capital, results of operations, and cash flows.

# DOEREN MAYHEW CAPITAL ADVISORS, LLC

## NOTES TO FINANCIAL STATEMENTS SEPTEMBER 30, 2019

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### Note 3 - Legal Contingencies

The Company is not currently a defendant in litigation incidental to its investment banking business. The Company accounts for litigation losses in accordance with FASB Accounting Standards Codification Topic 450, "Contingencies" (ASC 450). Under ASC 450, loss contingency provisions are recorded for probable losses at management's best estimate of a loss, or when a best estimate cannot be made, a minimum loss contingency amount is recorded. These estimates are often initially developed substantially earlier than the ultimate loss is known, and the estimates are refined each accounting period as additional information becomes available. Accordingly, the initial amount estimated and recorded could be as low as zero. As information becomes known, the initial estimate may be increased, resulting in additional loss provisions. Also, a best estimate amount is changed to a lower amount when events result in an expectation of a more favorable outcome than previously estimated.

### Note 4 - Related Parties

A company where the members serve as principals provides related party consulting, analyst and other services. The Company paid \$318,759 for these services during the year. The Company also leases office space from related parties as disclosed in Note 5. The Company had outstanding obligations to this related party of \$47,398 as of September 30, 2019. The Company has also entered into an agreement for this party to provide shared services including IT, accounting, and human resources for \$2,000 per month.

### Note 5 - Leases

The Company subleases office space in Houston, Texas and Troy, Michigan from a related party and leases office space in New York, New York from a third party. The agreements expire November 30, 2020 in Houston, September 30<sup>th</sup> with automatic annual renewals in Troy, and monthly in New York. Total rent expense was \$35,126 this year and of this amount \$26,930 was paid to related parties.

As of September 30, 2019, the future minimum lease payments under the current leases are as follows:

<u>Years Ending September 30,</u>	<u>Amount</u>
2020	\$ 8,438
2021	1,417

### Note 6 - Subsequent Events

The Company has evaluated all events and transactions that occurred after September 30, 2019 through November 27, 2019, the date the financial statements were available to be issued. On October 28, 2019, the Company made a distribution of earnings of \$5.2 million to DMCA Holdings, LLC.

**\*\*\*End of Notes\*\*\***