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

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Section  
MAR 01 2021 ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III  
Washington DC  
406  
FACING PAGE

SEC FILE NUMBER
8-40862

**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 01/01/20 AND ENDING 12/31/20  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

OFFICIAL USE ONLY
FIRM ID. NO.

CP INVESTMENTS, LLC

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

2000 Avenue of the Stars, 11th floor  
(No. and Street)

Los Angeles California 90067  
(City) (State) (Zip Code)

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

Luis Silva (310) 272-1300  
(Area Code -- Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

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

Deloitte & Touche LLP

555 West 5<sup>th</sup> Street, Suite 2700 Los Angeles, California 90013-1010  
(ADDRESS) Number and Street City State Zip Code

**CHECK ONE:**

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

**Securities and Exchange Commission  
Trading and Markets**

MAR 2 2021

**RECEIVED**

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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 the basis for the exemption. See Section 240.17a-5(e)(2).

## OATH OR AFFIRMATION

I, Matthew Prinn, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to CP Investments, LLC (the "Company") as of and for the year ended December 31, 2020, are true and correct. I further 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.



\_\_\_\_\_  
Signature

\_\_\_\_\_  
Chief Financial Officer  
Title

\_\_\_\_\_  
See Attached Jurat  
Notary Public

### CP Investments, LLC Table of Contents

This report contains (check all applicable boxes):

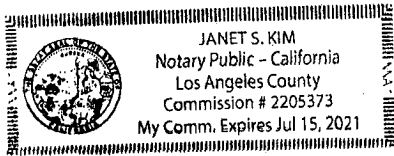
- (x) Facing page
- (x) (a) Report of Independent Registered Public Accounting Firm
- (x) (b) Statement of Financial Condition
- (x) (c) Statement of Operations
- (x) (d) Statement of Changes in Member's Capital
- (x) (e) Statement of Cash Flows
- ( ) (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable)
- (x) Notes to Financial Statements
- (x) (g) Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934
- (x) (h) Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable, filing Exemption Report relying on Footnote 74 of SEC Release No. 34-70073 adopting amendments to 17 C.F.R. & § 240.17a-5)
- (x) (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable, filing Exemption Report relying on Footnote 74 of SEC Release No. 34-70073 adopting amendments to 17 C.F.R. & § 240.17a-5)
- ( ) (j) A Reconciliation, including Appropriate Explanations, of the Computation of Net Capital under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements under Rule 15c3-3 (not required)
- ( ) (k) A Reconciliation between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable)
- (x) (l) An Oath or Affirmation
- (x) (m) A copy of the SIPC Supplemental Report (filed separately)
- (x) (n) A Report Describing the Broker-Dealer's Compliance with the Exemption Provisions of Footnote 74 of the SEC Release No. 34-70073 adopting amendments to Rule 17a-5 (the "Exemption Report") and Report of Independent Registered Public Accounting Firm Thereon (bound separately)

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.

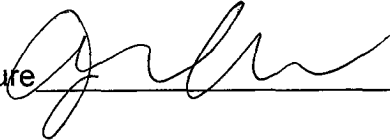
State of California  
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 24th  
day of February, 20 21, by Matthew Prinn

proved to me on the basis of satisfactory evidence to be the  
person(s) who appeared before me.



(Seal)

Signature 



**Deloitte & Touche LLP**  
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Los Angeles, CA 90013-1010  
USA

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[www.deloitte.com](http://www.deloitte.com)

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Managers and Member of  
CP Investments LLC

### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of CP Investments LLC (the "Company") as of December 31, 2020, and the related statements of operations, cash flows, and changes in member's capital for the year then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, 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 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.

## Report on Supplemental Schedules

The supplemental schedules g, h, and i listed in the accompanying table of contents have been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental schedules are the responsibility of the Company's management. Our audit procedures included determining whether the supplemental schedules reconcile 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 schedules. In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in compliance with Rule 17a-5 under the Securities Exchange Act of 1934. In our opinion, such schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Deloitte & Touche LLP*

February 25, 2021

We have served as the Company's auditor since 1995.

**CP INVESTMENTS, LLC**

**STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2020**

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**ASSETS**

Cash (Note 2)	\$ 445,001
Prepays and other assets	<u>74,784</u>
<b>TOTAL</b>	<b><u>\$ 519,785</u></b>

**LIABILITIES AND MEMBER'S CAPITAL**

**LIABILITIES:**

Accounts payable and accrued expenses	\$ <u>44,890</u>
Total liabilities	<u>44,890</u>

**COMMITMENTS AND CONTINGENCIES (Note 7)**

<b>MEMBER'S CAPITAL</b>	<u>474,895</u>
<b>TOTAL</b>	<b><u>\$ 519,785</u></b>

See notes to financial statements.

## CP INVESTMENTS, LLC

### STATEMENT OF OPERATIONS YEAR ENDED DECEMBER 31, 2020

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REVENUES — Placement agent service fees (Note 2)	<u>\$ 495,000</u>
EXPENSES:	
Expense sharing (Note 3)	495,000
Professional fees	102,882
Other general and administrative expenses	<u>73,740</u>
Total expenses	<u>671,622</u>
NET LOSS	<u>\$ (176,622)</u>

See notes to financial statements.

**CP INVESTMENTS, LLC**

**STATEMENT OF CHANGES IN MEMBER'S CAPITAL  
YEAR ENDED DECEMBER 31, 2020**

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	<b>Member's Capital</b>
BALANCE — January 1, 2020	\$ 441,517
Contributions	210,000
Net loss	<u>(176,622)</u>
BALANCE — December 31, 2020	<u>\$ 474,895</u>

See notes to financial statements.

**CP INVESTMENTS, LLC**

**STATEMENT OF CASH FLOWS  
YEAR ENDED DECEMBER 31, 2020**

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CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	\$ (176,622)
Adjustments to reconcile net loss to net cash used in operating activities — changes in assets and liabilities:	
Prepays and other assets	(13,280)
Accounts payable and accrued expenses	<u>3,764</u>
Net cash used in operating activities	<u>(186,138)</u>
CASH FLOWS FROM FINANCING ACTIVITIES - Contributions	<u>210,000</u>
NET INCREASE IN CASH	23,862
CASH — Beginning of year	<u>421,139</u>
CASH — End of year	<u>\$ 445,001</u>

See notes to financial statements.

# CP INVESTMENTS, LLC

## NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2020

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### 1. NATURE OF OPERATIONS

CP Investments, LLC (the “Company”) is a registered broker-dealer under the Securities Exchange Act of 1934 (the “1934 Act”) and is a member of the Financial Industry Regulatory Authority, Inc. The Company is a wholly owned subsidiary of Canyon Partners LLC (the “Parent”). The Company provides placement agent services to certain private funds advised by affiliated entities.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation** - The accompanying financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) and in the format prescribed by Rule 17a-5 under the 1934 Act for brokers and dealers in securities.

**Cash** - Cash includes cash in a deposit account.

**Securities Transactions** - Securities transactions for the accounts of the Company or its customers are executed and cleared by an independent clearing agent on a fully disclosed basis. Commission revenue and expense related to customers’ securities transactions and securities transactions of the Company are recorded on a trade-date basis. There were no securities transactions during the year.

**Placement Agent Service Fees** - The Company earned placement agent service fees from Canyon Capital Advisors LLC (“CCA”), ICE Canyon LLC (“ICE”), River Canyon Fund Management LLC (“River Canyon”), and Canyon Partners Real Estate LLC (“CPRE”), with respect to the Company’s engagement to provide certain agreed-upon services in connection with identifying prospective investors that may invest in the limited partner interests or other similarly styled equity interests of one or more investment entities and/or any parallel funds managed by CCA, ICE, River Canyon, or CPRE. Placement agent service fees are recognized when the underlying services are rendered in accordance with the terms of the agreements. The Company’s performance obligation is to serve as the exclusive private placement agent to the funds managed by CCA, ICE, River Canyon, and CPRE. Revenues related to such performance obligation is recognized over time commensurate with when services are rendered. The placement agent service agreement between the Company and ICE was terminated effective April 1, 2020.

**Use of Estimates** - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. Significant estimates made by management relate primarily to accrued expenses.

**Reportable Segment**- Management has determined that the Company operates in one segment, given the similarities in economic characteristics between its operations and the common nature of its products and services, production and distribution process, and regulatory environment.

**Recent Accounting Pronouncements** - In February 2016, the Financial Accounting Standards Board (“FASB”) issued ASU 2016-02, Leases: Topic 842, which significantly changes the accounting for leases. The new guidance requires that a lessee recognize in the statement of financial position a liability to make

lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize lease expense for such leases generally on a straight-line basis over the lease term. For income statement purposes, the new guidance retained a dual model, requiring leases to be classified as either operating or financing. Operating leases will result in straight-line expense while finance leases will result in a frontloaded expense pattern similar to existing capital lease guidance. For statement of cash flow purposes, the new guidance also retained the existing dual method, where cash payments for operating leases are reflected in cash flows from operating activities and principal and interest payments for finance leases are reflected in cash flows from financing activities and cash flows from operating activities, respectively. The new guidance allows for the recognition and measurement of leases at the beginning of the earliest period presented using a modified retrospective approach. The use of the modified retrospective approach allows an entity to use a number of practical expedients in the application of this new guidance. The guidance will be effective in 2022 with early adoption permitted. The adoption does not have an effect on the financial condition, or our results of operations or cash flows.

**Financial Condition** - The Company has experienced substantial recurring losses from operations as of December 31, 2020. The Company's ability to continue its operations and to meet its capital requirements is dependent on continued financial support from the Parent. The Parent has represented its intent to continue to provide financial support to the Company for terms that extend through February 25, 2022.

### 3. RELATED-PARTY TRANSACTIONS

The Company has an agreement in place with the Parent whereby the Parent charges the Company for its allocable share of general and administrative services provided to the Company. The primary allocated expenses are compensation, employee benefits, and overhead expenses that include, but are not limited to, lease and office space, office equipment, supplies and furnishings, telecommunications equipment, and computer hardware and software. The allocation methodology is derived from overhead expense and wages and salaries of registered personnel of the Company with respect to services provided on behalf of the Company. For the year ended December 31, 2020, \$495,000 was incurred in expenses and paid in full for these services and is included in the statement of operations. As previously indicated, the Company earns placement agent service fees from affiliated entities that include CCA, ICE, River Canyon, and CPRE. For the year ended December 31, 2020, \$495,000 was included in "revenues" in the statement of operations for such fees. Additionally, the Company has a letter of support from the Parent that the Parent will be willing and able to provide capital contributions when needed to ensure the Company's ability to continue as a going concern. Therefore, if the Company were a stand-alone entity, the financial statements presented could be materially different.

The Company received capital contributions of \$210,000 from the Parent in 2020.

### 4. INCOME TAXES

As a limited liability company, no provision for federal or state taxes is made in the accompanying financial statements, as the Company is not subject to income taxes. The Parent is responsible for reporting income or loss to the extent required by the federal and state income tax laws and regulations.

The Company accounts for uncertain tax positions in accordance with FASB ASC 740, *Income Taxes*. The Company reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition. As of and during the year ended December 31, 2020, the Company did not have a liability for any unrecognized tax benefits nor did it recognize any interest and penalties related to unrecognized tax benefits. In addition, the Company is

not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months. As a result, no income tax liability or expense related to unrecognized tax benefits has been recorded in the accompanying financial statements. The Company will continue to review any conclusions reached regarding uncertain tax positions that may be subject to review and adjustment at a later date based on ongoing analysis of tax laws, regulations, and interpretations thereof. To the extent that the Company's assessment of the conclusions reached regarding uncertain tax position changes, such changes in estimate will be recorded in the period in which such determination is made. The Company recognizes tax-related interest and penalties, if applicable, as a component of other expense and income tax expense, respectively.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by state and local jurisdictions, where applicable. As of December 31, 2020, the tax years that remain subject to examination by the state of California under the statute of limitations are 2016, 2017, 2018, 2019 and 2020.

**5. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. The Company has elected to use the alternative method, permitted by the rule, which requires that the Company maintain minimum net capital, as defined, equal to the greater of \$250,000 or 2% of aggregate debit balances arising from customer transactions, as defined. As of December 31, 2020, the Company had net capital of \$400,111, which is \$150,111 in excess of required net capital.

**6. RESERVE REQUIREMENTS AND INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS FOR BROKERS AND DEALERS**

The Company is filing an exemption report as part of the audited financial statements pursuant to Footnote 74 of the SEC Release No. 34-70073 adopting requirements to 17 C.F.R. § 240.17a-5, based on the limited business activities as a broker-dealer. Refer to Supplemental Schedules H and I in this report. Because of such exemption, the Company is not required to prepare a determination of reserve requirements for brokers and dealers or provide information relating to possession or control requirements for brokers and dealers.

**7. COMMITMENTS AND CONTINGENCIES**

The Company can be named in legal actions arising in the ordinary course of business. Management is of the opinion that the ultimate liability, if any, from these actions will not have a material effect on its financial condition or results of operations.

**8. SUBSEQUENT EVENTS**

The Company's management evaluated activity of the Company through the date the financial statements were available to be issued, and concluded that no subsequent events have occurred that would require recognition or disclosure.

\* \* \* \* \*

**SUPPLEMENTAL SCHEDULES**

**CP INVESTMENTS LLC****SCHEDULE G****COMPUTATION OF NET CAPITAL FOR BROKERS AND DEALERS PURSUANT TO  
RULE 15c3-1 UNDER THE SECURITIES AND EXCHANGE ACT OF 1934  
DECEMBER 31, 2020**

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TOTAL MEMBER'S CAPITAL FROM STATEMENT OF FINANCIAL CONDITION	\$ 474,895
LESS DEDUCTIONS AND/OR CHARGES	
Prepaid and other assets	<u>74,784</u>
NET CAPITAL	400,111
MINIMUM NET CAPITAL REQUIRED (Greater of 2% of aggregate debit items or \$250,000)	<u>250,000</u>
EXCESS NET CAPITAL	<u>\$ 150,111</u>
NET CAPITAL IN EXCESS OF 120% OF MINIMUM NET CAPITAL REQUIREMENT	<u>\$ 100,111</u>

Note: There were no material differences between the above Computation of Net Capital Under Rule 15c3-1 and the Company's corresponding Form X-17A-5, Part IIA as of December 31, 2020 filed on January 21, 2021.

**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
FOR BROKERS AND DEALERS PURUSANT TO RULE 15C3-3 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934  
DECEMBER 31, 2020**

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The Company is exempt from the Computation of a Reserve Requirement because the Company's business activities met the requirements specified in Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 ("Footnote 74").

**INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS  
FOR BROKERS AND DEALERS PURUSANT TO RULE 15C3-3 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934  
DECEMBER 31, 2020**

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The Company is exempt from the Possession or Control Requirements of Rule 15c3-3 because the Company's business activities met the requirements specified in Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 ("Footnote 74").