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

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: October 31, 2023  
Estimated average burden  
hours per response..... 12.00

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

SEC  
Mail Processing  
Section

MAR 02 2021

SEC FILE NUMBER  
8-68722

FACING PAGE Washington DC  
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 01/01/2020 AND ENDING 12/31/2020  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Equilibrium Capital Services LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
411 NW Park Avenue, Suite 401

Portland OR 97209  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Michael Gobel 971-352-8430  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Moss Adams LLP

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

8750 N. Central Expressway, Suite 300 Dallas TX 75231  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

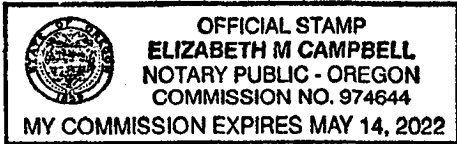
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, William C. Campbell, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Equilibrium Capital Services LLC, as of December 31, 2020, 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:

No Exceptions



Handwritten signature of William C. Campbell, Signature, Chief Compliance Officer, Title

Handwritten signature of Notary Public, 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 (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).

**Equilibrium Capital Services, LLC**  
Report Pursuant to Rule 17a-5(d)  
For the Year Ended December 31, 2020



MOSSADAMS

## **Report of Independent Registered Public Accounting Firm**

To the Member  
Equilibrium Capital Services, LLC

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

We have audited the accompanying statement of financial condition of Equilibrium Capital Services, LLC (the Company) as of December 31, 2020, the related statements of income, changes in member's equity, and cash flows 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 to 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.

### ***Opinion on the Supplementary Information***

The supplementary information in Schedules I and II has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The information in Schedules I and II is the responsibility of the Company's management. Our audit procedures include determining whether the information in Schedules I and II 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 Schedules I and II. In forming our opinion on the information in Schedules I and II we evaluated whether the information in Schedules I and II, including its form and content is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the information in Schedules I and II is fairly stated in all material respects in relation to the financial statements as a whole.

*Moss Adams LLP*

Dallas, Texas  
February 17, 2021

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

**Equilibrium Capital Services, LLC**  
**Statement of Financial Condition**  
**December 31, 2020**

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**ASSETS**

Cash	\$ 1,180,976
Prepaid expense	<u>21,262</u>
<b>Total assets</b>	<b><u>\$ 1,202,238</u></b>

**LIABILITIES AND MEMBER'S EQUITY**

**Liabilities**

Accounts payable and accrued expenses	\$ 6,431
Payable to related party	<u>3,473</u>
<b>Total liabilities</b>	9,904

<b>Member's equity</b>	<u>1,192,334</u>
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<b>Total liabilities and member's equity</b>	<b><u>\$ 1,202,238</u></b>
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*The accompanying notes are an integral part of these financial statements.*

**Equilibrium Capital Services, LLC**  
**Statement of Income**  
**For the Year Ended December 31, 2020**

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**REVENUES**

Intercompany advisory services	\$ 1,320,000
Interest income	<u>3,532</u>
<b>Total revenues</b>	<b>1,323,532</b>

**EXPENSES**

Employee compensation and benefits	998,689
Occupancy	111,659
Professional fees	59,640
Regulatory expenses	20,911
Other operating expenses	<u>578</u>
<b>Total expenses</b>	<b><u>1,191,477</u></b>
<b>Net income</b>	<b><u><u>\$ 132,055</u></u></b>

*The accompanying notes are an integral part of these financial statements.*

**Equilibrium Capital Services, LLC**  
**Statement of Changes in Member's Equity**  
**For the Year Ended December 31, 2020**

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	<u>Member's Equity</u>
<b>Balance at December 31, 2019</b>	\$ 1,060,279
Member's distributions	-
Net income	<u>132,055</u>
<b>Balance at December 31, 2020</b>	<u><u>\$ 1,192,334</u></u>

*The accompanying notes are an integral part of these financial statements.*

**Equilibrium Capital Services, LLC**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2020**

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**CASH FLOW FROM OPERATING ACTIVITIES**

Net income	\$ 132,055
Adjustments to reconcile net income to net cash used in operating activities:	
Decrease in assets:	
Prepaid expense	(6,025)
Decrease in liabilities:	
Accounts payable and accrued expenses	(927)
Payable to related party	1,573
	<hr/>
<b>Net cash provided by operating activities</b>	<b>126,676</b>
	<hr/>
<b>NET CHANGE IN CASH</b>	<b>126,676</b>
<b>Cash at beginning of year</b>	<b>1,054,300</b>
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<b>Cash at end of year</b>	<b>\$ 1,180,976</b>
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**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Cash paid during the period for:

Interest	\$ -
	<hr/>
Taxes	\$ -
	<hr/>

*The accompanying notes are an integral part of these financial statements.*

**Equilibrium Capital Services, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

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## **1. GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### *Organization*

Equilibrium Capital Services, LLC (the "Company") was organized in the State of Oregon on October 1, 2010. The Company is a registered broker-dealer in securities under the Securities and Exchange Act of 1934, a member of the Financial Industry Regulatory Authority ("FINRA"), and a member of the Securities Investor Protection Corporation ("SIPC"). The Company is a wholly-owned subsidiary of Equilibrium Capital Group, LLC (the "Member").

The Company is engaged in business as a securities broker-dealer that provides several classes of services, including private placements, merger and acquisitions advisory services, and broker selling tax shelters or limited partnerships. For the year ended December 31, 2020, the Company's income was derived primarily from advisory services revenue performed in connection with capital raising for the Member and its affiliated funds and vehicles.

Under its membership agreement with FINRA and relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, the Company (1) does not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, (2) does not and will not carry accounts of or for customers, and (3) does not and will not carry PAB accounts. The Company limits its business activities exclusively to effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company.

### *Summary of Significant Accounting Policies*

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.

The Company charges fees in accordance with terms stipulated in its engagement contracts. Fees are recognized as earned and per the fee schedule stipulated in the Member's or client's engagement contracts. For the year ended December 31, 2020, the Company's only engagement contracts were with its Member – see Note 3. When the Company performs services for its customers on an ongoing basis, the Company satisfies its performance obligations each month and thus recognizes its service fee on a monthly basis.

The timing of the Company's revenue recognition may differ from the timing of payment by the Company's customers. The Company records a receivable when revenue is recognized prior to payment and has an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, the Company records deferred revenue until the performance obligations are satisfied.

Economic conditions that may affect the Company's performance primarily include the general economic and market conditions in the United States, specifically in the agriculture infrastructure, wastewater, energy facilities, and permanent crops industries.

### *Management's Evaluation of COVID-19 Effects*

The COVID-19 pandemic is not expected to have a significant impact on the Company. Management has determined that there is no material uncertainty that casts doubt on the Company's ability to continue as a going concern. It expects that COVID-19 might have some impact, though not significant, for example, in relation to expected future performance, or the effects on some future asset valuations.

**Equilibrium Capital Services, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

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## **2. INCOME TAXES**

The operations of the Company are included in the consolidated federal and state income tax return filed by the Member. The Company is treated as a disregarded entity for federal income tax purposes, in accordance with single member limited liability company rules. All tax effects of the Company's income or loss are passed through to the Member. Therefore, no provision or liability for Federal or State Income Taxes is included in these financial statements.

## **3. RELATED-PARTY TRANSACTIONS**

The Company is engaged by its Member to perform capital raising activities for the Member and its affiliated funds and vehicles whereby the Member pays a monthly fee to the Company in consideration for these services. These services include, but are not limited to, reviewing and planning financing needs, performing due diligence, and executing on certain capital raising transactions as defined in the agreement. For the year ended December 31, 2020, advisory services earned by the Company with respect to this engagement with its Member totaled \$1,320,000.

The Company has an expense sharing agreement with its Member whereby the Company pays a monthly reimbursement in consideration for certain expenses paid on the Company's behalf. These expenses include personnel, rent, and other administrative services. For the year ended December 31, 2020, expenses incurred by the Company with respect to the expense sharing agreement with its Member totaled \$1,110,348.

It is possible that the terms of certain related party transactions are not the same as those that would result for transactions among wholly unrelated parties.

## **4. COMMITMENTS AND CONTINGENCIES**

### *Contingencies*

The Company maintains bank accounts at financial institutions. These accounts are insured by the Federal Deposit Insurance Commission ("FDIC") up to \$250,000. At times during the year, cash balances held in financial institutions were in excess of the FDIC's insured limits. The Company has not experienced any losses in such accounts, and management believes that it has placed its cash on deposit with financial institutions which are financially stable.

### *Commitments*

The Company had no commitments nor contingent liabilities and has not been named as a defendant in any lawsuit at December 31, 2020, or during the year then ended.

## **5. GUARANTEES**

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 460, *Guarantees*, requires the Company to disclose information about its obligations under certain guarantee arrangements. FASB ASC 460 defines guarantees as contracts and indemnification agreements that contingently require a guarantor to make payments to the guaranteed party based on changes in an underlying factor (such as an interest or foreign exchange rate, security or commodity price, an index or the occurrence or nonoccurrence of a specified event) related to an asset, liability, or equity security of a guaranteed party. This guidance also defines guarantees as contracts that contingently require the guarantor to make payments to the guaranteed party based on another entity's failure to perform under an agreement as well as indirect guarantees of indebtedness of others. The Company has issued no guarantees at December 31, 2020, or during the year then ended.

**Equilibrium Capital Services, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

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**6. ACCOUNTING DEVELOPMENTS**

*Recently Issued Accounting Standards*

For the year ended December 31, 2020, various Accounting Standard Updates issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended. The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

**7. NET CAPITAL REQUIREMENTS**

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. Rule 15c3-1 also provides that equity capital may not be withdrawn, or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and aggregate indebtedness change day to day, but on December 31, 2020, the Company had net capital of \$1,171,072 which was \$1,166,072 more than its required net capital of \$5,000. The Company's ratio of aggregate indebtedness (of \$9,904) to net capital was 0:01 to 1.

**8. SUBSEQUENT EVENTS**

The Company has reviewed events that have occurred after December 31, 2020 through February 17, 2021, the date the financial statements were available to be issued. During this period, no subsequent events occurred that require recognition or disclosure in the financial statements.

**Equilibrium Capital Services, LLC**  
**Schedule I – Computation of Net Capital under Rule 15c3-1**  
**of the Securities and Exchange Commission**  
**As of December 31, 2020**

**Computation of net capital**

Member's equity		\$ 1,192,334
Less: Non-allowable assets		
Prepaid expenses	<u>\$ (21,262)</u>	
<b>Total non-allowable assets</b>		<u>(21,262)</u>
<b>Net capital</b>		1,171,072

**Computation of net capital requirements**

Minimum net capital requirements		
6 2/3 percent of net aggregate indebtedness	<u>660</u>	
Minimum net capital required	660	
Minimum dollar net capital required	<u>5,000</u>	
Net capital required (greater of above)		<u>(5,000)</u>
<b>Excess net capital</b>		<u>\$ 1,166,072</u>
<b>Aggregate indebtedness</b>		<u>\$ 9,904</u>

Ratio of aggregate indebtedness to net capital 0.01 : 1

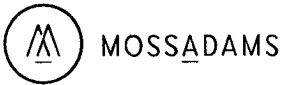
There was no material difference between net capital computation shown here and the net capital computation shown on the Company's unaudited Form X-17A-5 report dated December 31, 2020.

**Equilibrium Capital Services, LLC**  
**Schedule II – Computation for Determination of the Reserve Requirements and Information Relating to**  
**Possession or Control Requirements for Brokers and Dealers**  
**As contemplated by footnote 74 of SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 and related**  
**SEC Staff Frequently Asked Questions**  
**As of December 31, 2020**

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The Company is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, “Reports to be made by certain brokers and dealers”). The Company does not claim an exemption under paragraph (k) of 17 C.F.R. § 240.15c3-3, and the Company is relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company. Therefore the Company is not required to present the Computation for Determination of the Reserve Requirements and Information Relating to Possession or Control Requirements for Brokers and Dealers under Rule 15c3-3 of the Securities and Exchange Commission.

**Equilibrium Capital Services, LLC**  
Report of Independent Registered Public  
Accounting Firm on Management's Exemption Report  
Required by SEC Rule 12a-5  
For the Year Ended December 31, 2020



## Report of Independent Registered Public Accounting Firm

To the Member  
Equilibrium Capital Services, LLC

We have reviewed management's statements, included in the accompanying Equilibrium Capital Services, LLC's (the Company) Exemption Report (the exemption report), in which:

- 1) The Company does not claim an exemption under paragraph (k) of 17 C.F.R. §240.15c3-3; and
- 2) The Company states the Company is filing the exemption report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. §240.17a-5 (Footnote 74) because, throughout the most recent fiscal year, without exception:
  - The Company limits its business activities exclusively to (1) effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company, and
  - The Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3).

The Company's management is responsible for compliance with the provisions of Footnote 74 and its statements.

Our 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 the Company's compliance with the provisions of Footnote 74. 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, we do not express such an opinion.

Based on our review, we are 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 of Footnote 74 of SEC Release No. 34-70073.

*Moss Adams LLP*

Dallas, Texas  
February 17, 2021

**Equilibrium Capital Services, LLC's Exemption Report**

**Equilibrium Capital Services, LLC** (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

- (1) The Company does not claim an exemption under paragraph (k) of 17 C.F.R. § 240.15c3-3, and
- (2) The Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to effecting securities transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; and the Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, (other than funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company); (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year, without exception.

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Equilibrium Capital Services, LLC

I, William Campbell, swear (or affirm) that, to my best knowledge and belief, this Exemption Report is true and correct.

By: 

Title: Chief Compliance Officer, Equilibrium Capital Services, LLC

February 17, 2021

Date