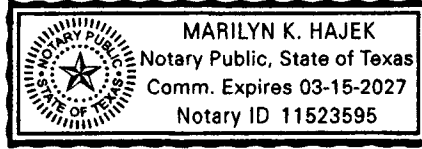


OATH OR AFFIRMATION

I, David O' Connor, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Waterford Capital, Inc. as of November 30, 2023, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



Signature: [Handwritten Signature]
Title: President

[Handwritten Signature]
Notary Public

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

- (a) Statement of financial condition.
(b) Notes to consolidated 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...
(d) Statement of cash flows.
(e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
(f) Statement of changes in liabilities subordinated to claims of creditors.
(g) Notes to consolidated financial statements.
(h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
(i) Computation of tangible net worth under 17 CFR 240.18a-2.
(j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
(k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
(l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
(m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
(n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
(o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
(p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
(q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
(r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(t) Independent public accountant's report based on an examination of the statement of financial condition.
(u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
(v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
(y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
(z) Other:

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

WATERFORD CAPITAL, INC.

REPORT PURSUANT TO RULE 17a-5(d)

YEAR ENDED NOVEMBER 30, 2023

WATERFORD CAPITAL, INC.

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Sanville & Company LLC
Philadelphia | New York | Dallas

Report of Independent Registered Public Accounting Firm

To the Sole Shareholder and
Those Charged With Governance of
Waterford Capital, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Waterford Capital, Inc. (the Company) as of November 30, 2023, the related statements of operations income, changes in stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of November 30, 2023, 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 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. 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 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.

Supplemental Information

The supplementary information contained in The Schedule I, Computation of Net Capital Under SEC Rule 15c3-1, Schedule II, Computation for Determination of Reserve Requirements Under Rule SEC 15c3-3 and Schedule III, Information Relating to the Possession or Control Requirements Under SEC Rule 15c3-3 have 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

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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 supplementary information contained in the Schedule I, Computation of Net Capital Under SEC Rule 15c3-1, Schedule II, Computation for Determination of Reserve Requirements Under SEC Rule 15c3-3 and Schedule III, Information Relating to the Possession or Control Requirements Under SEC Rule 15c3-3 are fairly stated, in all material respects, in relation to the financial statements as a whole.

Sanville & Company, LLC

We have served as the Company's auditor since 2019.

Dallas, Texas
January 9, 2024

WATERFORD CAPITAL, INC.
Statement of Financial Condition
November 30, 2023

ASSETS

| | |
|--------------------------------|------------------|
| Cash | \$ 24,408 |
| Receivable from broker-dealers | <u>10,568</u> |
| | |
| Total assets | <u>\$ 34,976</u> |

LIABILITIES AND STOCKHOLDER'S EQUITY

| | |
|---|------------------|
| Liabilities | |
| Accounts payable | <u>\$ 1,283</u> |
| | |
| Total liabilities | <u>1,283</u> |
| | |
| Stockholder's equity | |
| Common stock, 500,000 shares authorized with \$.01 par value, 101,000 shares issued and outstanding | 1,010 |
| Additional paid-in capital | 32,770 |
| Accumulated deficit | <u>(87)</u> |
| | |
| Total stockholder's equity | <u>33,693</u> |
| | |
| Total liabilities & stockholder's equity | <u>\$ 34,976</u> |

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

WATERFORD CAPITAL, INC.
Statement of Operations
For the Year Ended November 30, 2023

| | |
|---|----------------|
| Revenues | |
| Securities commissions | \$ 285 |
| Revenue from sale of Investment Company shares | 116 |
| Revenue from investment banking | 337,565 |
| Interest income | 219 |
| Other income | <u>114</u> |
| | <u>338,299</u> |
| Expenses | |
| Compensation and benefits | 310,643 |
| Professional fees | 14,081 |
| Regulatory fees | 6,203 |
| Occupancy and equipment costs | 5,562 |
| Commissions and clearance paid to all other brokers | 78 |
| Other expenses | <u>1,409</u> |
| | <u>337,976</u> |
| Net income before income taxes | 323 |
| Federal income tax expense | <u>67</u> |
| Net income | <u>\$ 256</u> |

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

WATERFORD CAPITAL, INC.
Statement of Changes in Stockholder's Equity
For the Year Ended November 30, 2023

| | <u>Shares</u> | <u>Common Stock</u> | <u>Additional Paid in Capital</u> | <u>Retained Earnings (Deficit)</u> | <u>Total</u> |
|----------------------------------|----------------|-------------------------|---|--|------------------|
| Balances at November 30, 2022 | 101,000 | \$ 1,010 | \$ 32,770 | \$ (343) | \$ 33,437 |
| Net Income | — | — | — | 256 | 256 |
| Balances at November 30, 2023 | <u>101,000</u> | <u>\$ 1,010</u> | <u>\$ 32,770</u> | <u>\$ (87)</u> | <u>\$ 33,693</u> |

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

WATERFORD CAPITAL, INC.
Statement of Cash Flows
For the Year Ended November 30, 2023

| | | |
|--|--|------------------|
| Cash flows from operating activities | | \$ 256 |
| Net Income | | 256 |
| Adjustments to reconcile net income to net cash provided (used) by operating activities: | | |
| Change in assets and liabilities: | | |
| Increase in commissions receivable | | (16) |
| Decrease in accounts payable | | <u>(1,565)</u> |
| Net cash used in operating activities | | <u>(1,325)</u> |
| Cash flows from investing activities | | |
| Net cash provided by investing activities | | <u>-</u> |
| Cash flows from financing activities | | |
| Net cash provided by financing activities | | <u>-</u> |
| Net decrease in cash | | (1,325) |
| Cash at beginning of year | | <u>25,733</u> |
| Cash at end of year | | <u>\$ 24,408</u> |

Supplemental Disclosure of Cash Flow Information

Cash paid (received) during the year for:

| | | |
|--------------|--|--------------|
| Interest | | \$ <u>-</u> |
| Income taxes | | \$ <u>67</u> |

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

WATERFORD CAPITAL, INC.
Notes to Financial Statements
November 30, 2023

Note 1 - Summary of Significant Accounting Policies

Waterford Capital, Inc. (the "Company") is a broker-dealer in securities registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company operates under ("SEC") Rule 15c3-3 (k)(2)(ii) for a portion of its operating activities and is considered a "non-covered firm" by relying on footnote 74 to SEC Release 34-70073 for the other portion of its operating activities, which provides that all funds and securities belonging to the Company's customers would be handled by a clearing broker-dealer or that the Company does not receive customer funds or securities to complete transactions. The Company is a Texas corporation, and its customers are located throughout the United States.

Revenue Recognition

Security transactions (and related commission revenue and expense) are recorded on a trade date basis as securities transactions occur.

The Company provides financial advisory and transaction related services to its customers. The benefits of the Company's services are generally transferred to the Company's customers over time as the customers simultaneously receive and consume the benefits as the Company performs the service. The Company's contracts are usually cancellable by either party at any time and the considerations typically include retainer fees and success fees. Retainer fees are generally fixed and charged on a month-to-month basis recognized over the month in which the advisory services are performed. However, success fees are variable and subject to constraints, and are typically not recognized until there is a transaction completion date, due to the uncertainty associated with those events.

Compensated Absences

Compensated absences have not been accrued because the amount cannot be reasonably estimated.

Receivable From Broker-Dealers and Clearing Organizations

Receivables from broker-dealers and clearing organizations are generally collected in full in the month following their accrual. As such, management has not recorded an allowance for doubtful accounts on these receivables. The Company advances funds to its registered representatives as determined necessary by management. The advances are generally recouped upon the following commission payment cycle. Management records an allowance for bad debts based on a collectability review of specific accounts. Any receivables deemed uncollectible are written off against the allowance. As of November 30, 2023, there were no amounts receivable from registered representatives.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due. The provision for federal income taxes differs from the expected amount using statutory rates because certain expenses included in the determination of net income are non-deductible for tax reporting purposes. The expense from the current year income has been reported in these financial statements.

WATERFORD CAPITAL, INC.
Notes to Financial Statements
November 30, 2023

Note 1 - Summary of Significant Accounting Policies, continued

Any potential interest and penalty associated with a tax contingency, should one arise, would be included as a component of income tax expense in the period in which the assessment arises.

The Company's federal and state income tax returns are subject to examination over various statutes of limitations generally ranging from three to five years from the date of filing.

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 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis. As of November 30, 2023, the Company had net capital of approximately \$33,693 and net capital requirements of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .04 to 1. The Securities and Exchange Commission permits a ratio of no greater than 15 to 1.

Note 3 - Commitments and Contingencies

Included in the Company's clearing agreement with its clearing broker-dealer, is an indemnification clause. This clause relates to instances where the Company's customers fail to settle security transactions. In the event this occurs, the Company will indemnify the clearing broker-dealer to the extent of the net loss on the unsettled trade.

As of November 30, 2023, management of the Company had not been notified by the clearing broker-dealer, nor were they otherwise aware, of any potential losses relating to this indemnification.

Supplemental Information
Pursuant to Rule 17a-5 of the
Securities Exchange Act of 1934
as of
November 30, 2023

Schedule I

WATERFORD CAPITAL, INC.
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of November 30, 2023

COMPUTATION OF NET CAPITAL

| | |
|--|-------------------------|
| Total stockholder's equity qualified for net capital | \$ 33,693 |
| Add: | |
| Other deductions or allowable credits | <u> --</u> |
| Total capital and allowable subordinated liabilities | 33,693 |
| Deductions and/or charges | <u> --</u> |
| Net capital before haircuts on securities positions | <u> 33,693</u> |
| Haircuts on securities (computed, where applicable, pursuant to Rule 15c3-1(f)) | <u> --</u> |
| Net capital | <u>\$ 33,693</u> |

AGGREGATE INDEBTEDNESS

Items included in statement of financial condition:

| | |
|------------------------------|-----------------|
| Accounts payable | \$ <u>1,283</u> |
| Total aggregate indebtedness | <u>\$ 1,283</u> |

Schedule I (continued)

WATERFORD CAPITAL, INC.
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of November 30, 2023

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

| | |
|--|------------------|
| Minimum net capital required (6 2/3% of total aggregate indebtedness) | <u>\$ 86</u> |
| Minimum dollar net capital requirement of reporting broker or dealer | <u>\$ 5,000</u> |
| Net capital requirement (greater of above two minimum requirement amounts) | <u>\$ 5,000</u> |
| Net capital in excess of required minimum | <u>\$ 28,693</u> |
| Excess net capital at 1000% | <u>\$ 27,692</u> |
| Ratio: Aggregate indebtedness to net capital | <u>0.04 to 1</u> |

RECONCILIATION WITH COMPANY'S COMPUTATION

There were no differences in the computation of net capital under Rule 15c3-1 from the Company's computation.

Schedule II & III

WATERFORD CAPITAL, INC.
Computation For Determination Of Reserve Requirements And
Information Relating To Possession Or Control Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
November 30, 2023

The Company is exempt from Securities Exchange Commission ("SEC") Rule 15c3-3 pursuant to both the exemptive provisions of sub-paragraph (k)(2)(ii) and is considered a "Non-Covered Firm" from 15c3-3 by relying on footnote 74 to SEC Release 34-70073 and therefore, is not required to maintain a "Special reserve bank account for the Exclusive benefit of customers."

Report of Independent Registered Public Accounting Firm

On Management's Exemption Report

Required By SEC Rule 17a-5

Year Ended November 30, 2023



Sanville & Company LLC
Philadelphia | New York | Dallas

Report of Independent Registered Public Accounting Firm

To the Sole Shareholder and
Those Charged With Governance of
Waterford Capital, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report, in which Waterford Capital, Inc. (the Company) stated that:

1. The Company identified the following provisions of 17 C.F.R. § 240.15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. § 240.15c3-3: Paragraph (k)(2)(ii) (the exemption provisions), and the Company stated that it met the identified exemption provisions throughout the most recent fiscal year without exception;
2. The Company is also filing this Exemption Report because the Company's other business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 are limited to acting as a mutual fund retailer, the private placement of securities and providing merger and acquisition services; throughout the most recent fiscal year; and
3. The Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of 17 C.F.R. § 240.15c2-4; (2) did not carry accounts of or for customers; and (3) did not carry proprietary accounts of broker-dealers (as defined in 17 C.F.R. § 240.15c3-3), throughout the most recent fiscal year without exception.

The Company's management is responsible for 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 exemption provisions and that the Company's other business activities were limited to acting as a mutual fund retailer, the private placement of securities and providing merger and acquisition services; and (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers (other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of 17 C.F.R. § 240.15c2-4; (2) did not carry accounts of or for customers; and (3) did not carry proprietary accounts of broker-dealers (as defined in 17 C.F.R. § 240.15c3-3) throughout the most recent fiscal year without exception. 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 set forth in 17 C.F.R. § 240.15c3-3 and 17 C.F.R. § 240.17a-5.

Sanville & Company, LLC

Dallas, Texas
January 9, 2024

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Dallas, Texas 75201
214.738.1998

14275 Midway Rd. Suite 138
Addison, TX 75001
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www.waterfordcapital.com

Waterford Capital, Inc. Exemption Report

Waterford Capital, Inc. (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:

The Company claimed an exemption from 17 C.F.R. §240.15c3-3 under the following provisions of 17 C.F.R. §240.15c3-3(k)(2)(ii).

The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3(k) throughout the most recent fiscal year without exception.

The Company is considered "Non-Covered Firm" exempt from 17 C.F.R. §240.15c3-3 and is filing an Exemption Report relying on footnote 74 to SEC Release 34-70073, and as discussed in Q&A 8 of the related FAQ issued by the SEC staff. The Company limits its business activities exclusively to: (1) acting a mutual fund retailer (2) the private placement of securities (3) mergers and acquisitions.

The Company (1) did not directly or indirectly receive, hold or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4; (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.

I, David O' Connor, swear (or affirm) that, to my best knowledge and belief, this exemption report is true and correct.

Regards,



CEO

Date of Report: December 22, 2023