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SEC Mail Processing  
ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

MAR 02 2020

|                 |
|-----------------|
| SEC FILE NUMBER |
| 8-00292         |

Washington, DC

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: Wulff, Hansen &amp; Co.

OFFICIAL USE ONLY

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

FIRM I.D. NO.

100 Smith Ranch Road, Suite 330

(No. and Street)

San Rafael

CA

94903

(City)

(State)

(Zip Code)

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

Christopher D. Charles

(415) 421-8900

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Cropper Accountancy Corporation

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

2700 Ygnacio Valley Road, Suite 270 Walnut Creek

CA

94598

(Address)

(City)

(State)

(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)

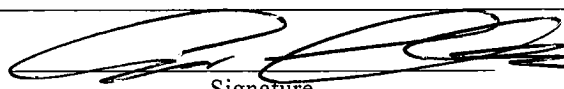
## OATH OR AFFIRMATION

I, Christopher D. Charles, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Wulff, Hansen & Co., 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:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



Signature

President

Title

\_\_\_\_\_  
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).*

State of California )  
County of Marin )

## CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

On 2/24/2020 before me, Dana Armstrong, Notary Public,  
(here insert name and title of the officer)

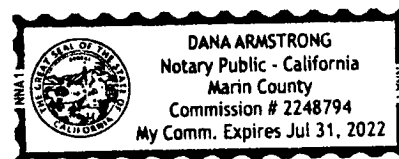
personally appeared Christopher D. Charles

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

### OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document.

#### Description of Attached Document

The preceding Certificate of Acknowledgment is attached to a document titled/for the purpose of Annual Audited Report  
X17A5  
containing \_\_\_\_\_ pages, and dated \_\_\_\_\_.

The signer(s) capacity or authority is/are as:

- ☒ Individual(s)  
☐ Attorney-in-Fact  
☐ Corporate Officer(s) \_\_\_\_\_  
Title(s) \_\_\_\_\_

- ☐ Guardian/Conservator  
☐ Partner - Limited/General  
☐ Trustee(s)  
☐ Other: \_\_\_\_\_

representing: \_\_\_\_\_  
Name(s) of Person(s) or Entity(ies) Signer is Representing

#### Additional Information

##### Method of Signer Identification

Proved to me on the basis of satisfactory evidence:  
☒ form(s) of identification ☐ credible witness(es)

Notarial event is detailed in notary journal on:  
Page # 121 Entry # 4-6

Notary contact: \_\_\_\_\_

##### Other

☐ Additional Signer(s) ☐ Signer(s) Thumbprint(s)  
☐ \_\_\_\_\_

**WULFF, HANSEN & CO.**

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**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

December 31, 2019

**CONFIDENTIAL DOCUMENT**

This report is deemed confidential in accordance with  
rule 17a-5(e)(3) under the Securities Exchange Act of 1934.  
A statement of financial condition has been filed with the Securities  
and Exchange Commission simultaneously herewith as a public document.

# WULFF, HANSEN & CO.

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**



2700 Ygnacio Valley Road, Ste 270  
Walnut Creek, CA 94598  
(925) 932-3860 tel  
(925) 476-9930 efax  
[www.cropperaccountancy.com](http://www.cropperaccountancy.com)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders  
of Wulff, Hansen & Co.

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Wulff, Hansen & Co. (the "Company") as of December 31, 2019, and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended, and the related notes and schedules (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, 2019, 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 (GAAP).

### 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 fraud or error, 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

### Auditors' Report on Supplemental Information

The supplemental information contained in Schedule I – Schedule of Computation of Net Capital Under Rule 15c3-1 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 is fairly stated, in all material respects, in relation to the financial statements as a whole.

CROPPER ACCOUNTANCY CORPORATION

Cropper Accountancy Corporation has served as the Company's auditor since 2018

Walnut Creek, California

February 27, 2020

**WULFF, HANSEN & CO.**  
**STATEMENT OF FINANCIAL CONDITION**

December 31, 2019

**ASSETS**

|                                                               |                            |
|---------------------------------------------------------------|----------------------------|
| Cash and cash equivalents                                     | \$ 893,131                 |
| Deposits with clearing organizations and others, held in cash | 260,228                    |
| Accounts receivable                                           | 34,300                     |
| Prepaid expenses                                              | 43,620                     |
| Deferred tax assets, net                                      | 453,715                    |
| Operating lease right-of-use asset                            | 265,588                    |
| Property and equipment, net                                   | 2,753                      |
| Other assets                                                  | <u>10,563</u>              |
| Total assets                                                  | <u><u>\$ 1,963,898</u></u> |

**LIABILITIES AND STOCKHOLDERS' EQUITY**

Liabilities:

|                                          |                |
|------------------------------------------|----------------|
| Accounts payable and accrued liabilities | \$ 136,782     |
| Operating lease liability                | <u>265,588</u> |
| Total liabilities                        | <u>402,370</u> |

Stockholders' equity:

|                                                                                                      |                            |
|------------------------------------------------------------------------------------------------------|----------------------------|
| Preferred stock, 6% cumulative, par value, \$100 per share;<br>authorized, 4,000 shares; none issued | -                          |
| Common stock, no par value; authorized, 20,000 shares;<br>370 shares issued and outstanding          | 293,224                    |
| Retained earnings                                                                                    | <u>1,268,304</u>           |
| Total stockholders' equity                                                                           | <u>1,561,528</u>           |
| Total liabilities and stockholders' equity                                                           | <u><u>\$ 1,963,898</u></u> |

The accompanying notes are an integral  
part of these financial statements

**WULFF, HANSEN & CO.**  
**STATEMENT OF INCOME**  
for the year ended December 31, 2019

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Revenues:

|                                 |              |
|---------------------------------|--------------|
| Commissions                     | \$ 187,954   |
| Public financing                | 719,462      |
| Investment advisory fees        | 787,406      |
| Underwriting and placement fees | 13,922       |
| Other income                    | <u>6,724</u> |

|                |                  |
|----------------|------------------|
| Total revenues | <u>1,715,468</u> |
|----------------|------------------|

Expenses:

|                                  |              |
|----------------------------------|--------------|
| Compensation and benefits        | 1,278,164    |
| General and administrative       | 104,558      |
| Occupancy and equipment expenses | 119,445      |
| Data processing                  | 19,873       |
| Communications                   | 14,695       |
| Professional services            | 95,721       |
| Taxes and licenses               | 1,057        |
| Depreciation and amortization    | <u>1,021</u> |

|                |                  |
|----------------|------------------|
| Total expenses | <u>1,634,534</u> |
|----------------|------------------|

|                                          |        |
|------------------------------------------|--------|
| Income before provision for income taxes | 80,934 |
|------------------------------------------|--------|

|                                  |              |
|----------------------------------|--------------|
| Provision for income tax expense | <u>6,085</u> |
|----------------------------------|--------------|

|            |                         |
|------------|-------------------------|
| Net income | <u><u>\$ 74,849</u></u> |
|------------|-------------------------|

The accompanying notes are an integral  
part of these financial statements

**WULFF, HANSEN & CO.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
for the year ended December 31, 2019

|                             | <u>Common Stock</u> |                   | <u>Retained</u>     |                     |
|-----------------------------|---------------------|-------------------|---------------------|---------------------|
|                             | <u>Shares</u>       | <u>Amount</u>     | <u>Earnings</u>     | <u>Total</u>        |
| Balances, December 31, 2018 | 370                 | \$ 293,224        | \$ 1,193,455        | \$ 1,486,679        |
| Net income, 2019            | <u>-</u>            | <u>-</u>          | <u>74,849</u>       | <u>74,849</u>       |
| Balances, December 31, 2019 | <u>370</u>          | <u>\$ 293,224</u> | <u>\$ 1,268,304</u> | <u>\$ 1,561,528</u> |

The accompanying notes are an integral  
part of these financial statements

**WULFF, HANSEN & CO.**  
**STATEMENT OF CASH FLOWS**  
for the year ended December 31, 2019

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|                                                                               |                          |
|-------------------------------------------------------------------------------|--------------------------|
| Cash flows from operating activities:                                         |                          |
| Net income                                                                    | \$ 74,849                |
| Adjustments to reconcile net income to net cash used in operating activities: |                          |
| Depreciation and amortization                                                 | 1,021                    |
| (Increase) decrease in assets:                                                |                          |
| Deposits with clearing organization and others                                | 15,442                   |
| Accounts receivable                                                           | (21,632)                 |
| Prepaid expenses                                                              | (7,905)                  |
| Deferred tax assets                                                           | 5,285                    |
| Operating lease right-of-use asset                                            | (265,588)                |
| Other assets                                                                  | 13,800                   |
| Increase (decrease) in liabilities:                                           |                          |
| Accounts payable and accrued liabilities                                      | (117,044)                |
| Operating lease liability                                                     | 265,588                  |
| Deferred rent                                                                 | (11,688)                 |
| Net cash used in operating activities                                         | <u>(47,872)</u>          |
| Cash flows from investing activities:                                         |                          |
| Purchases of equipment                                                        | <u>(1,905)</u>           |
| Net cash used in investing activities                                         | <u>(1,905)</u>           |
| Net decrease in cash and cash equivalents                                     | (49,777)                 |
| Cash and cash equivalents, beginning of year                                  | <u>942,908</u>           |
| Cash and cash equivalents, end of year                                        | <u><u>\$ 893,131</u></u> |
| Supplemental disclosure of cash flow information:                             |                          |
| Cash paid during the year for:                                                |                          |
| Interest                                                                      | <u><u>\$ -</u></u>       |
| Income taxes                                                                  | <u><u>\$ 800</u></u>     |

The accompanying notes are an integral  
part of these financial statements

**WULFF, HANSEN & CO.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

---

**1. Summary of Significant Accounting Policies**

***Organization***

Wulff, Hansen & Co. (the “Company”) was incorporated in December 1931 and is engaged in the public finance, municipal advisory, and investment advisory businesses. The Company operates as an introducing broker. Pursuant to Rule 15c3-3(k)(2)(ii) and (k)(2)(i), the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirement of rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

The Company’s public finance and municipal advisory businesses are conducted primarily in California serving cities, counties, school districts, special districts and other public entities. The Company’s investment advisory business primarily serves individual investors, high net worth investors, retirement plans, and charitable organizations.

***Cash and Cash Equivalents***

For purposes of the statement of cash flows, cash consists of cash in the bank. The Company considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. At times, cash balances held at financial institutions were in excess of federally insured limits; however, the Company primarily places its temporary cash investments with high-credit quality financial institutions.

***Property and Equipment***

Office furniture and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets that range from three to seven years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to expense as incurred. Significant renewals and betterments are capitalized.

***Accounts Receivable***

Accounts receivable are stated at face amount with no allowance for doubtful accounts. An allowance for doubtful accounts is not considered necessary because probable uncollectible accounts are immaterial.

***Income Taxes***

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for operating loss and tax credit carryforwards and for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized.

**WULFF, HANSEN & CO.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

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**1. Summary of Significant Accounting Policies, continued**

The Company follows accounting for uncertainty in income taxes guidance Topic 740, *Accounting for Income Tax* (ASC 740). This interpretation requires the evaluation of tax positions taken or expected to be taken in the course of preparing the tax returns to determine whether the tax positions are “more-likely-than-not” of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current year.

The interpretation also provides guidance on de-recognition, classification, interest and penalties, and disclosure. The Company’s policy is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. As of the date of adoption of accounting for uncertain tax positions there was no accrued interest or penalties associated with any unrecognized tax benefits, nor was any interest expense recognized during the year.

***Revenue Recognition***

Investment advisory fees are recorded as revenue in the period in which the related services are performed in accordance with the applicable agreements. Underwriting fees and private placement fees are recognized when the transaction closes. Commissions are recorded in the period they are earned. Consulting fees are recorded at the time the service is completed to the extent management is confident of their collectability.

***Use of Estimates***

Accounting principles generally accepted in the United States of America require management to make assumptions in estimates that affect the amount reported in the financial statements for assets, liabilities, revenues, and expenses. In addition, assumptions and estimates are used to determine disclosure for contingencies, commitments, and other matters discussed in the notes to the financial statements. Actual results could differ from those estimates.

***Recently Adopted Accounting Standards***

***ASU 2016-02 Leases (Topic 842) (“ASU 2016-02”)***

Effective January 1, 2019, the Company adopted ASU 2016-02, which amends a number of aspects of lease accounting, including requiring lessees to recognize almost all leases with a term greater than one year as a right-of-use asset and corresponding liability, measured at the present value of the lease payments. The Company has elected a package of practical expedients available under the new guidance and has applied ASU 2016-02 using the modified retroactive approach with the cumulative effect of initial application recognized as an adjustment to beginning retained earnings. As a result, there was a \$12,730 beginning balance effect on the financial statements for the year ending December 31, 2019. Upon the adoption of the lease standard, the Company recognized a right-of-use asset and a lease liability on the Balance Sheet related to non-cancelable operating lease.

**2. Cash and Cash Equivalents**

The Company maintains cash balances at various financial institutions. Such deposits are and can be in excess of Federal Deposit Insurance Corporation (FDIC) insured limits. Historically, the Company has not experienced any loss of its cash and cash equivalents due to such concentration. At December 31, 2019, cash exceeding the federally insured limits amounted to \$393,131.

**WULFF, HANSEN & CO.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

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**3. Deposits with Clearing Organizations and Others**

The Company maintains cash deposits with a clearing broker and other organizations. The amount of the deposit was \$260,228 at December 31, 2019.

**4. Property and Equipment**

Property and equipment consist of the following at December 31, 2019:

|                               | <u>2019</u>     |
|-------------------------------|-----------------|
| Furniture and Fixtures        | \$ 85,547       |
| Less accumulated depreciation | <u>(82,794)</u> |
| Total                         | <u>\$ 2,753</u> |

Depreciation expense for the year ended December 31, 2019 was \$1,021.

**5. Income Taxes**

The provision for income taxes is composed of current and deferred components. The current component represents the amount of federal and state income taxes that are currently reportable to the respective tax authorities, and is measured by applying statutory rates to the Company's taxable income as reported in its income tax returns.

The provision for income taxes is composed of the following components in 2019:

|                                 | <u>2019</u>     |
|---------------------------------|-----------------|
| Current tax (benefit):          |                 |
| Federal                         | \$ -            |
| State                           | <u>-</u>        |
|                                 | <u>-</u>        |
| Deferred tax expense (benefit): |                 |
| Federal                         | 3,835           |
| State                           | <u>1,450</u>    |
|                                 | <u>5,285</u>    |
| Provision for income taxes      | <u>\$ 5,285</u> |

Deferred income taxes are provided for the temporary differences between carrying values of the Company's assets and liabilities for financial reporting purposes and their corresponding income tax bases. These temporary differences are primarily attributable to accrued expenses, the use of different depreciation methods for book and tax reporting, and net operating loss carryforward that, due to income tax laws and regulations, become taxable or deductible in different fiscal years than their corresponding treatment for financial reporting purposes.

**WULFF, HANSEN & CO.**  
**NOTES TO FINANCIAL STATEMENTS**

December 31, 2019

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**5. Income Taxes, continued**

The temporary differences give rise to either a deferred tax asset or liability in the financial statements that is computed by applying current statutory tax rates to taxable and deductible temporary differences based upon the classification of the asset or liability in the financial statements that relates to the particular temporary difference. Deferred taxes related to differences that are not attributable to a specific asset or liability are classified in accordance with the future period in which they are expected to reverse and be recognized for income tax purposes.

At December 31, 2019, the net deferred assets consist of the following components:

|                                 | <u>2019</u>       |
|---------------------------------|-------------------|
| Deferred tax assets:            |                   |
| Accrued expenses                | \$ 9,855          |
| Net operating loss carryforward | <u>443,860</u>    |
| Total deferred tax assets       | <u>\$ 453,715</u> |

The differences between the statutory federal income tax rate on the Company's income before provision for income taxes and the effective tax rate for the year ended December 31, 2019 is primarily due to certain expenses deductible for financial reporting purposes that are not deductible for tax purposes, the use of different depreciation methods between book and tax, and net operating loss carryforwards.

At December 31, 2019, the Company has federal net operating loss ("NOL") carryforwards and state NOL carryforwards for future years of approximately \$1,568,000 and \$1,244,000, respectively. These carryforwards are set to expire by the year 2038.

The Company's income tax returns are subject to examination by the appropriate tax jurisdictions. As of December 31, 2019, the Company's federal and state tax returns for 2016, 2017, and 2018 remain open for examination.

**6. Retirement Plans**

In 2003, the Company established a 401(k) and Profit Sharing Plan for certain full-time employees. The Plan meets the requirements of Section 401(k) of the Internal Revenue Code and allows employees to elect to contribute a portion of their earnings to the Plan. The Company may make discretionary contributions to the Plan. No contribution was made during 2019.

**7. Commitments**

*Operating Leases*

The Company signed a new office lease effective November 10, 2017 and expiring on October 31, 2022. Occupancy expense for the year ended December 31, 2019 was \$82,709.

The future minimum lease payments for operating leases at December 31, 2019 are as follows:

**WULFF, HANSEN & CO.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

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**7. Commitments, continued**

Year ending December 31:

|            |                   |
|------------|-------------------|
| 2020       | \$ 93,698         |
| 2021       | 96,509            |
| 2022       | 90,893            |
| Thereafter | <u>-</u>          |
| Total      | <u>\$ 281,100</u> |

In accordance with ASU 2016-02 (Topic 842), the Company recognized a right-of-use asset and lease liability with a balance of \$265,588.

**8. Off Balance Sheet Risk**

The Company occasionally has contractual commitments arising in the ordinary course of business for securities transactions on a when-issued basis. Financial instruments contains varying degrees of off-balance sheet risk whereby the market values of the securities underlying the financial instruments may be in excess of the contract amount. There were no off-balance sheet commitments connected with the above described transactions at December 31, 2019.

**9. Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (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. At December 31, 2019, the Company had net capital of \$1,037,743 and excess net capital of \$937,743. The minimum net capital requirement is \$100,000. The Company's aggregate indebtedness to net capital ratio was 0.13 to 1.

**10. Exemption from the SEC rule 15c3-3**

The Company is an introducing broker-dealer that clears all transactions with and for customers on a fully disclosed basis with an independent securities clearing company and promptly transmits all customer funds and securities to the clearing company, which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of the SEC rule 17a-3 and 17a-4, as are customarily made and kept by a clearing broker or dealer.

**11. Guarantees**

FASB 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, 2019 or during the year then ended.

**WULFF, HANSEN & CO.**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019  

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**12. Subsequent Events**

The Company evaluated subsequent events for recognition and disclosure through the date of the independent auditors' report, the date which these financial statements were available to be issued. Management concluded that no material subsequent events have occurred since December 31, 2019 that required recognition or disclosure in the financial statements.

# SCHEDULE I

## WULFF, HANSEN & CO.

### SCHEDULE OF COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

December 31, 2019

|                                                                                                           |                   |                     |
|-----------------------------------------------------------------------------------------------------------|-------------------|---------------------|
| Net capital—total stockholders' equity                                                                    |                   | \$ 1,561,528        |
| Deductions—total non-allowable assets from statement of financial condition:                              |                   |                     |
| Furniture and equipment and leasehold improvements                                                        |                   | 2,753               |
| Other assets (excluding broker receivables)                                                               |                   | <u>521,032</u>      |
| Net capital before haircuts on marketable securities positions                                            |                   | 1,037,743           |
| Haircuts—municipal bonds and investments                                                                  |                   | <u>-</u>            |
| Net capital                                                                                               |                   | 1,037,743           |
| Aggregate indebtedness—included in statement of financial condition:                                      |                   |                     |
| Accounts payable and accrued liabilities                                                                  | \$ 136,782        |                     |
| Total aggregate indebtedness                                                                              | <u>\$ 136,782</u> |                     |
| Computation of basic net capital requirement:                                                             |                   |                     |
| 6.67% of aggregate indebtedness                                                                           | \$ 9,119          |                     |
| Minimum net capital                                                                                       | <u>\$ 100,000</u> |                     |
| Minimum net capital required                                                                              |                   | <u>100,000</u>      |
| Excess net capital                                                                                        |                   | <u>\$ 937,743</u>   |
| Ratio: aggregate indebtedness to net capital                                                              |                   | <u>13.18%</u>       |
| Reconciliation with Company's computation (included in Part IIA of Form X-17A-5 as of December 31, 2019): |                   |                     |
| Net capital, as reported in the Company's Part IIA (Unaudited)                                            |                   |                     |
| FOCUS Report filed on January 27, 2020                                                                    |                   | \$ 1,025,013        |
| Other audit adjustments (net)                                                                             |                   | <u>12,730</u>       |
| Net capital per above                                                                                     |                   | <u>\$ 1,037,743</u> |

**SCHEDULE II**

**WULFF, HANSEN & CO.**

**SCHEDULE OF COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS UNDER  
RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION**

As of December 31, 2019

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A computation of reserve requirements is not applicable to Wulff Hansen & Co, Inc. as the Company qualifies for exemption under Rule 15c3-3(k)(2)(ii) and (k)(2)(i).

**SCHEDULE III**

**WULFF, HANSEN & CO.**

**INFORMATION RELATING TO POSSESSION OR CONTROL REQUIREMENTS UNDER  
RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION**

As of December 31, 2019

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Information relating to possession or control requirements is not applicable to Wulff Hansen & Co, Inc. as the Company qualifies for exemption under Rule 15c3-3(k)(2)(ii) and (k)(2)(i).

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON  
EXEMPTION REPORT**



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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders  
of Wulff, Hansen & Co.

We have reviewed management's statements, included in the accompanying Exemption Report Pursuant to Rule 17a-5 of the Securities and Exchange Commission, in which (1) Wulff, Hansen & Co. identified the following provisions of 17 C.F.R. §15c3-3(k) under which Wulff, Hansen & Co. claimed an exemption from 17 C.F.R. §240.15c3-3: (2)(ii) and (2)(i) (exemption provisions) and (2) Wulff, Hansen & Co. stated that Wulff, Hansen & Co. met the identified exemption provisions throughout the period January 1, 2019 through December 31, 2019 without exception. Wulff, Hansen & Co.'s management is responsible for compliance with the exemption provisions 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 Wulff, Hansen & Co.'s compliance with the exemption provisions. 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 paragraph (k)(2)(ii) and (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

  
CROPPER ACCOUNTANCY CORPORATION  
Walnut Creek, California  
February 27, 2020

**WULFF, HANSEN & CO.**  
**EXEMPTION REPORT PURSUANT TO RULE 17a-5**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**

December 31, 2019

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Wulff, Hansen & Co is exempt from the Customer Protection Rule pursuant to the Securities and Exchange Act of 1934 Rule 17a-5 based on the provisions of 17 C.F.R. subsection 15c3-3(k), in which we claim an exemption that is provided under Rule 15c3-3(k)(2)(ii) and (k)(2)(i), as an introducing broker or dealer that clears all transactions with and for customers on a fully disclosed basis with a clearing broker or dealer, which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of subsection 240.17a-3 and 240.17a-4, as are customarily made and kept by a clearing broker or dealer.

Wulff, Hansen & Co. asserts that it has met the identified exemption provisions of paragraphs (k)(2)(ii) and (k)(2)(i) of SEC Rule 15c3-3 for the period January 1, 2019 through December 31, 2019 without exception.



Chris Charles, President  
Wulff, Hansen & Co.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON  
APPLYING AGREED-UPON PROCEDURES

Board of Directors and Stockholders  
of Wulff, Hansen & Co.

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below and were agreed to by Wulff, Hansen & Co. and the SIPC, solely to assist you and SIPC in evaluating Wulff, Hansen & Co.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2019. Wulff, Hansen & Co.'s management is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
- 2) Compared the Total Revenue amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2019 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2019, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Wulff, Hansen & Co.'s compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2019. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Wulff, Hansen & Co. and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

  
CROPPER ACCOUNTANCY CORPORATION  
Walnut Creek, California  
February 27, 2020

**SIPC-7**

(36-REV 12/18)

**SECURITIES INVESTOR PROTECTION CORPORATION**P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300**General Assessment Reconciliation****SIPC-7**

(36-REV 12/18)

For the fiscal year ended **12/31/2019**

(Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

14\*14\*\*\*\*\*2792\*\*\*\*\*MIXED AADC 220  
292 FINRA DEC  
WULFF HANSEN & CO  
100 SMITH RANCH RD STE 330  
SAN RAFAEL, CA 94903-5595

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

2. A. General Assessment (item 2e from page 2) \$ 2,513
- B. Less payment made with SIPC-6 filed (exclude interest) ( 1,316 )
- 07/24/2019  
Date Paid
- C. Less prior overpayment applied (                      )
- D. Assessment balance due or (overpayment) 1,197
- E. Interest computed on late payment (see instruction E) for        days at 20% per annum
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 1,197
- G. PAYMENT: ☒ the box  
Check mailed to P.O. Box ☐ Funds Wired ☐ ACH ☐  
Total (must be same as F above) \$ 1,197
- H. Overpayment carried forward \$(        )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Wulff Hansen & Co  
(Name of Corporation, Partnership or other organization)

(Authorized Signature)

Dated the 27 day of January, 2020.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER** Dates:            Postmarked            Received            Reviewed           

Calculations            Documentation            Forward Copy           

Exceptions:           

Disposition of exceptions: