

PUBLIC

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

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

SEC FILE NUMBER  
8-66908

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 JANUARY 1, 2020 AND ENDING DECEMBER 31, 2020  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER: **TRANSNATIONAL CAPITAL CORP.**

OFFICIAL USE ONLY  
FIRM ID. NO.

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

**420 LEXINGTON AVENUE, SUITE 300**

(No. and Street)

**NEW YORK**

(City)

**NY**

(State)

**10170**

(Zip Code)

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

**IVY FREDERICKS**

**212-453-0648**

(Area Code - Telephone No.)

B. ACCOUNTANT DESIGNATION

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

**OHAB AND COMPANY, PA**

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

**100 E. SYBELIA AVENUE, SUITE 130, MAITLAND**

(Address and City)

**FLORIDA**

(State)

**32751**

(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 audit 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).

SEC 1410 (11-05)

Potential persons who are to respond to the collection of information contained in this form are required to respond unless the form displays a current valid OMB control number.

OATH OR AFFIRMATION

I, IVY FREDERICKS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm or TRANSNATIONAL CAPITAL CORP., 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Sworn before me this 15<sup>th</sup> day of Feb, 2021  
Name of Signer DAE GON KIM, Notary Public  
Notary Signature [Signature]  
State of New York, County of Westchester

[Signature]  
Signature  
PRESIDENT  
Title

[Signature]  
Public Notary

DAE GON KIM  
Notary Public, State of New York  
License Number: 01K16392677  
Expiration Date: 08/19/2023  
Qualified in Westchester County

- 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 Proprietor's 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).

**TRANSNATIONAL CAPITAL CORP.**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**



100 E. Sybelia Ave. Suite 130  
Maitland, FL 32751

Certified Public Accountants  
Email: [pam@ohabco.com](mailto:pam@ohabco.com)

Telephone 407-740-7311  
Fax 407-740-6441

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder's  
of Transnational Capital Corp.

### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Transnational Capital Corp. as of December 31, 2020, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of Transnational Capital Corp. as of December 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

This financial statement is the responsibility of Transnational Capital Corp.'s management. Our responsibility is to express an opinion on Transnational Capital Corp.'s financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Transnational Capital Corp. 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 statement is 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 statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial 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.

*Ohab and Company, P.A.*

We have served as Transnational Capital Corp.'s auditor since 2016.

Maitland, Florida

February 1, 2021

TRANSNATIONAL CAPITAL CORP.

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2020

ASSETS

**Assets:**

Cash and cash equivalents	\$	15,044
Deposits		4,206
Prepaid Expenses		<u>1,003</u>
		<u>20,253</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

**Liabilities:**

Accounts payable and accrued liabilities		<u>152</u>
		<u>152</u>

**Stockholder's equity:**

Common stock, Class A		
200 shares authorized, issued and outstanding		25,000
Additional paid-in capital		358,181
Retained earnings (deficit)		<u>(363,080)</u>
		<u>20,101</u>
	\$	20,253

**TRANSNATIONAL CAPITAL CORP.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 1 – Summary of Significant Accounting Policies**

*Nature of Business*

Transnational Capital Corp. ("the Company") is a broker-dealer, registered with the Securities Exchange Commission ("SEC"), and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company was formed in February 2005 in the state of New York.

The Company specializes in securing financing and financial advisory services.

*Concentrations of Credit Risk for Cash*

The Company's cash balances are maintained at one financial institution. Balances are insured by the Federal Deposit Insurance Corporation subject to certain limitations.

*Cash and Cash Equivalents*

For purposes of reporting the statement of cash flows, the Company considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash balances in excess of FDIC and similar insurance coverage are subject to the usual banking risks associated with funds in excess of those limits. At December 31, 2020, the Company had no uninsured cash balances.

*Revenue from Contracts with Customers*

Revenues from contracts with customers are composed of investment banking fees. Such fees are recognized at the point in time when the Company's performance under the terms of the contractual agreement is completed, which is typically at the closing of the transaction. Reimbursed expenses related to these transactions are recorded as revenue and are included in investment banking fees. In certain instances, for advisory contracts, the Company will receive amounts in advance of the deals closing. In these instances, revenue is recognized over time in which the performance obligations are simultaneously provided by the Company and consumed by the customer. At December 31, 2020 there were no advances to the Company.

Other income is comprised of registered representative fees as required by the Company.

*Estimates*

The preparation of financial statements in accordance 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Income Taxes*

The Company has elected to be taxed as an S-Corporation for Federal and state income tax purposes and, accordingly, no provision has been made for such income taxes. The stockholder's allocable share of the Company's income or loss is reportable in their income tax returns. Provisions are made for New York State S Corporation franchise tax and New York City general corporation tax, as applicable.

**TRANSNATIONAL CAPITAL CORP.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 1 – Summary of Significant Accounting Policies (continued)**

*Income Taxes(continued)*

The Company has adopted the provisions of FASB Accounting Standards Codification 740-10, Accounting for Uncertainty in Income Taxes. Under ASC 740-10, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a tax return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary. The shareholders and the Company are generally not subject to U.S. federal, state or local income tax examinations to the Company's activities for tax years before 2014.

**Note 2 – Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule15c3-1), which requires the maintenance of minimum net capital at amount equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness, and requires that the ratio of aggregate indebtedness to net capital not to exceed 15 to 1.

At December 31, 2020, the Company had excess net capital of \$9,892 and a net capital rate of .0102 to 1.

**Note 3 – Lease Commitment**

Lease expense for year ended December 31, 2020 was \$27,606 and is recorded on the Statement of Operations. The Company entered into a lease commitment beginning September 1, 2020 and ending August 31, 2021 in a virtual office setting and as a result future lease payments for 2021 will be \$1,800.

The Company leases space on a month to month basis at a monthly cost of \$150.

In February 2016 the FASB issued ASU 2016-02, Leases - (Topic 842). ASU 2016-02 will require the recognition of lease assets and lease liabilities on the balance sheet to the rights and obligations created by lease agreements, including for those leases classified as operating leases under previous GAAP, along with the disclosure of key information about leasing arrangements. The Company has elected not to apply the recognition requirements of Topic 842 relating to its office lease and instead has elected to recognize the lease payments as lease cost on a straight line basis over the lease term. The lease cost is \$27,606 relating to the office lease for the year ended December 31, 2020.

**Note 4 - Commitment and Contingencies**

The Company had no further commitments or contingencies as of December 31, 2020.

**Note 5 - Subsequent Events**

In accordance with the *Subsequent Events* Topic of the FASB Accounting Standards Codification No. 855 ("FASB ASC 855"), the Company has evaluated those events and transactions that occurred from January 1, 2020 through February 1, 2021, the date the financial statements were available to be issued. No material events or transactions have occurred during this period which would render these financial statements to be misleading.

**TRANSNATIONAL CAPITAL CORP.  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**Note 6 - Going Concern**

As shown in the accompanying financial statements, the Company incurred a net loss from operations of \$38,472 during the year ended December 31, 2020, as of that date, the Company has Stockholder's Equity of \$20,101 and has net capital of \$14,892. Those factors, as well as immediate preceding year's losses, create a substantial doubt about the Company's ability to continue as a going concern for the year following the date financial statements are available to be issued. Management for the Company has evaluated these conditions and has a plan to mitigate these conditions by obtaining a commitment from its sole owner to continue to provide cash contributions until such time as the Company becomes profitable. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

I ascertain that I intend to continue making capital contributions, as needed, to ensure the Company's continuing operation.