

**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**  
**Report Pursuant to Rule 17a-5 (d)**  
**Financial Statement**  
**For the Year Ended December 31, 2020**

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

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

OMB APPROVAL
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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 01/01/2020 AND ENDING 12/31/2020  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Synergy Advisors Group, LLC dba Synergy Advisors, LLC

OFFICIAL USE ONLY

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

FIRM I.D. NO.

840 Apollo St Suite 213

(No. and Street)

El Segundo

CA

90245

(City)

(State)

(Zip Code)

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

Robert Maggiamo

310-414-3201

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Alvarez & Associates, Inc.

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

9221 Corbin Ave, Suite 165

Northridge

CA

91324

(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, Robert Maggiacomo, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Synergy Advisors Group, LLC dba Synergy Advisors, 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:

Robert M. Maggiacomo

Signature

Managing Partner

Title

Kristine J. Lee  
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).

**A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.**



State of California  
County of Los Angeles

Subscribed and sworn to (or affirmed) before me on this 8 day of February, 2021 by

Robert M. Maggiacomo proved to me on the basis of satisfactory evidences to be the person who appeared before me.

Notary Public Kristine J. Lee



# ALVAREZ & ASSOCIATES, INC

## CERTIFIED PUBLIC ACCOUNTANTS

### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To Those Charged with Governance and the Members of Synergy Advisors Group, LLC dba Synergy Advisors, LLC:

#### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Synergy Advisors Group, LLC dba Synergy Advisors, LLC (the "Company") as of December 31, 2020, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of the Company 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 the Company's management. Our responsibility is to express an opinion on the Company'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 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 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.

Alvarez & Associates, Inc.

We have served as the Company's auditor since 2018.  
Northridge, California  
February 8, 2021



**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**  
**Statement of Financial Condition**  
**December 31, 2020**

**Assets**

Cash and cash equivalents	\$ 22,768
Accounts receivable	-
Prepaid expenses and other assets	<u>9,034</u>
<b>Total assets</b>	<u><u>\$ 31,802</u></u>

**Liabilities and Members' Equity**

**Liabilities**

Accounts payable and accrued expenses	\$ 97
Other taxes payable	<u>300</u>
<b>Total liabilities</b>	<u><u>397</u></u>

Commitments and contingencies

-

**Members' equity**

Members' equity	<u>31,405</u>
<b>Total members' equity</b>	<u><u>31,405</u></u>
<b>Total liabilities and members' equity</b>	<u><u>\$ 31,802</u></u>

The accompanying notes are an integral part of these financial statements

**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

**Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*General*

Synergy Advisors Group, LLC dba Synergy Advisors, LLC (the "Company") was organized in the State of California on November 24, 2003. 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 the Securities Investor Protection Corporation ("SIPC").

The Company is engaged in business as a securities broker-dealer, specifically as an investment banking advisory boutique focused on providing advisory services to companies and financial buyers relating to mergers and acquisitions (buy-side, sell-side, and valuations), corporate finance matters (capital structure and financing alternatives), as well as agenting private placements financings.

The Company's revenues include retainer, success and services fees. In each case, revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. Generally, this first involves the identification of the revenue amount, or transaction price; and its allocation among the required performance obligations; all as set forth in the terms of the engagement agreement. Then, revenue is recognized when earned on this basis, meaning the revenue amount is fixed or reasonably determinable; collection is probable; and the associated performance obligations are completed. Accordingly, success fees are typically recorded as of the transaction date. Retainer fees are non-refundable and recorded as the required services are performed. Other fee income is recorded as earned from on-going business agreements. Other fee income is subject to material variables; therefore, uncertain for estimating in advance. There were no open contracts for the year ended December 31, 2020.

Commission expense is recorded in the same period as the associated revenue.

The Company has operating leases for office space not subject to ASC 842, according to the short-term lease exemption.

Although the Company works with clients in various industries, it has a focus in the various health care, life science and IT/BPO sectors.

*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.

(continued)



**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**

**Notes to Financial Statements**

**December 31, 2020**

**Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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.

Property and equipment are stated at cost net of accumulated depreciation, computed using the straight-line method. Repairs and maintenance to these assets are charged to expense as incurred; major improvements enhancing the function and/or useful life are capitalized. When items are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gains or losses arising from such transactions are recognized.

**Note 2: PROPERTY AND EQUIPMENT, NET**

Property and equipment are summarized by major classification as follows:

		Useful Life
Office equipment	\$ <u>9,163</u>	5
Total cost of property and equipment	9,163	
Less: accumulated depreciation	<u>(9,163)</u>	
Property and equipment, net	<u>\$ 0</u>	

Depreciation expense for the year ended December 31, 2020 was \$0 since all property and equipment had been previously fully depreciated.

**Note 3: INCOME TAXES**

The Company, with the consent of its Members, has elected to be a California Limited Liability Company. For tax purposes the Company is treated like a partnership, therefore in lieu of business income taxes, the Members are taxed on the Company's taxable income. Accordingly, no provision or liability for Federal Income Taxes is included in these financial statements.

**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

**Note 3: INCOME TAXES**  
**(continued)**

The Company is subject to a California limited liability company gross receipts fee, with a minimum franchise tax. As of December 31, 2020, the income tax provision consists of the following:

Franchise tax	\$ 800
Gross receipts fee	<u>6,000</u>
Total income tax provision	<u><u>\$ 6,800</u></u>

**Note 4: OCCUPANCY**

The Company maintains two offices under short-term lease renewal agreements of less than one year. Rent expenses amounting to \$30,544 is included in other operating expenses on the Statement of Operations for the year ended December 31, 2020.

**Note 5. 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, 2020 or during the year then ended



**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

**Note 6: COMMITMENTS AND CONTINGENCIES**

The Company had no commitments, no contingent liabilities and had not been named as defendant in any lawsuit at December 31, 2020 or during the year then ended.

The worldwide outbreak of coronavirus (COVID-19) has led to an adverse impact on the overall economy and certain segments of the financial markets. In the event such impact were to last for a sustained period of time, the operations and financial performance of the Company may be adversely affected. Due to the COVID-19 pandemic's impact, certain transactions that were expected to close in 2020 have either been postponed indefinitely or delayed until 2021.

The Company's business at any point in time is typically concentrated in a small number of engagements. Its business model is dependent on securing an ongoing flow of generally nonrecurring engagements and closing the associated transactions.

**Note 7: RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS**

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepting accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASU's").

For the year ending December 31, 2020, various ASU's 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.

**Synergy Advisors Group, LLC dba Synergy Advisors, LLC**  
**Notes to Financial Statements**  
**December 31, 2020**

**Note 8: 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 \$22,371 which was \$17,371 in excess of its required net capital of \$5,000; and the Company's ratio of aggregate indebtedness (\$397) to net capital was 0.02 to 1, which is less than the 15 to 1 maximum allowed.

**Note 9: SUBSEQUENT EVENTS**

On January 25, 2021, the Company received a second draw PPP loan in the amount of \$47,980. The Company intends to utilize the funds for permitted expenses during the applicable period. After the applicable period, of between 8 and 24 weeks, the Company intends to apply for forgiveness from the SBA and expects that the loan will be fully forgiven.

The Company has evaluated events and transactions after the date of the Statement of Financial Condition through the date the financial statements were available for issuance. There have been no other such events that require recording or disclosure in the financial statements.

**Note 10: PPP LOAN FORGIVENESS**

The Company received a PPP loan on April 29, 2020 in the amount of \$47,300. As of November 23, 2020 the loan was legally forgiven and the company has recorded the income as extinguishment of debt on the Statement of Income for the year ended December 31, 2020.