

Silver Lane Advisors LLC

Statement of Financial Condition

December 31, 2016

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 01/01/2016 AND ENDING 12/31/2016
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Silver Lane Advisors LLC

OFFICIAL USE ONLY

FIRM I.D. NO.

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

535 Madison Avenue, 35th Floor

(No. and Street)

New York

NY

10022

(City)

(State)

(Zip Code)

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

Elizabeth Bloomer Nesvold

212-883-9401

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Weisberg, Mole, Krantz & Goldfarb LLP

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

185 Crossways Park Drive

Woodbury

NY

11797

(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

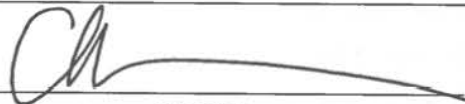
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2).

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, Elizabeth Bloomer Nesvold, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Silver Lane Advisors LLC, as of December 31, 20 16, 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:

None



Signature

Managing Partner

Title



Notary Public

JANICE MADDALONE
Notary Public, State Of New York
No. 01MA6078274
Qualified In Queens County
Commission Expires July 29, 2018

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

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☐ (c) Statement of Income (Loss).
- ☐ (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).

SILVER LANE ADVISORS LLC

Table of Contents

December 31, 2016

	PAGE
Report of Independent Registered Public Accounting Firm.....	1
Statement of Financial Condition	2
Notes to Financial Statements	3-7



Weisberg, Molé, Krantz & Goldfarb, LLP
Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of
Silver Lane Advisors LLC

We have audited the accompanying statement of financial condition of Silver Lane Advisors LLC as of December 31, 2016, and the related notes to the financial statements. This financial statement is the responsibility of Silver Lane Advisors LLC's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial position. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Silver Lane Advisors LLC as of December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

Weisberg, Molé, Krantz & Goldfarb, LLP

Woodbury, New York

February 11, 2017

SILVER LANE ADVISORS LLC
STATEMENT OF FINANCIAL CONDITION

December 31, 2016

ASSETS

Cash and cash equivalents	\$ 2,021,510
Accounts receivable	50,695
Prepaid expenses and other assets	117,546
Furniture, equipment, and improvements, net of accumulated depreciation of \$162,873	31,035
Trademark, net of accumulated amortization of \$7,435	<u>4,933</u>
Total assets	<u><u>\$ 2,225,719</u></u>

LIABILITIES AND MEMBERS' EQUITY

Accounts payable and accrued expenses	\$ 44,284
Security deposit payable	<u>13,200</u>
Total liabilities	<u>\$ 57,484</u>
Commitments and contingencies (note 4)	
Members' equity	<u>\$ 2,168,235</u>
Total liabilities and members' equity	<u><u>\$ 2,225,719</u></u>

SILVER LANE ADVISORS LLC
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies followed by the Company in the preparation of the accompanying financial statements are as follows:

Nature of Operations

Silver Lane Advisors LLC (“the Company”) was formed in August 2007 and became a registered broker/dealer on December 18, 2008. The Company operates as a broker/dealer registered with the Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). The Company provides merger, acquisition, private placements, strategic advisory and valuation services to firms predominantly in the financial service industry.

Accounts Receivable

Accounts receivable are recorded at net realizable value consisting of the carrying amount less an allowance for uncollectible accounts, as needed. The allowance is based on management’s analysis of possible bad debts and specific customer collection issues that have been identified. At December 31, 2016, the Company considers all accounts receivable fully collectible. Accordingly, there is no allowance for doubtful accounts.

Furniture, Equipment, and Improvements

Furniture, equipment, and improvements are stated at cost less accumulated depreciation. The company provides for depreciation using the straight-line method using estimated useful lives of three to seven years. Leasehold improvements are amortized over the lesser of the economic useful life of the improvement or the term of the lease.

Intangible Asset

The Company’s intangible asset is a trademark that is being amortized over 15 years.

Revenue Recognition

The Company receives retainers and consulting and strategic advisory fees and records the related revenue in the period earned. The Company also receives success fees for completed transactions and records these fees in the period the transaction is consummated.

SILVER LANE ADVISORS LLC
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Income Taxes

The Company is a limited liability company and is treated as a partnership for income tax purposes and, accordingly, the taxable income of the Company is taxable to its members based on their respective ownership of the profit and losses of the Company.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount of income and expenses during the reported period. Actual results could differ from those estimates.

Concentrations and Credit Risk

The Company receives its commission and fee income from customer transactions in accordance with the provisions specified in the contractual arrangements. These agreements are in effect until terminated by either party, typically with thirty days prior notice.

Off-Balance-Sheet Risk

At December 31, 2016, the Company does not hold any financial instruments with off-balance-sheet risk. At certain times throughout the year, the Company may maintain bank account balances in excess of federally insured limits.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes funds in checking accounts and money market accounts.

Subsequent Events

The Company has evaluated events and transactions that occurred through February 11, 2017, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

SILVER LANE ADVISORS LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2 – 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 of \$5,000 and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2016, the Company had net capital of \$1,964,026 which was \$1,959,026 in excess of its required net capital. The Company's aggregate indebtedness to net capital ratio was .029 to 1.

NOTE 3 – REGULATION

The Company is registered as a broker/dealer with the SEC. The securities industry in the United States is subject to extensive regulation under both federal and state laws. The SEC is the federal agency responsible for the administration of the federal securities laws. Much of the regulation of broker/dealers has been delegated to self-regulatory organizations, such as the FINRA, which had been designated by the SEC as the Company's primary regulator. These self-regulatory organizations adopt rules, subject to approval by the SEC, that govern the industry and conduct periodic examinations of the Company's operations. The primary purpose of these requirements is to enhance the protection of customer assets. These laws and regulatory requirements subject the Company to standards of solvency with respect to capital requirements, financial reporting requirements, record keeping and business practices.

NOTE 4 – COMMITMENTS AND CONTIGENCIES

The Company entered into a seven-year lease for office space in New York City, which commenced on October 3, 2011. The terms of the lease provide for a four month abatement and monthly rent thereafter of \$18,791 during the remainder of the first lease year, \$19,073 per month for years two through four, and \$20,062 per month for years five through seven. The Company has the option of extending the lease for an additional five years by giving the landlord nine months written notice before the expiration of the lease. Rent expense net of sublease income, which is included in occupancy expense was \$172,292 for the year ended December 31, 2016.

The Company entered into a 2 year lease for office space in San Francisco, California, which commenced on March 1, 2015. The terms of the lease provide for a one month abatement and monthly rent of \$1,150. The Company entered into a new one year lease for virtual office space which commences on March 1, 2017 and provides for monthly rent of \$389.

SILVER LANE ADVISORS LLC
NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 4 – COMMITMENTS AND CONTIGENCIES *(continued)*

The Company entered into a one year lease for office space in Chicago, Illinois, which commenced on October 1, 2013. The terms of the lease provided for a four month abatement and monthly rent of \$1,320 during the remainder of the lease. The Company amended the lease agreement for the purpose of renewing and modifying the terms and conditions of the original lease agreement. The terms of the amendment were for 12 months beginning October 1, 2014, relocation to a new suite and monthly rent of \$1,180. The agreement automatically renews for successive terms equal to the same period of time as the initial term, at the renewal rate of 5% over the then current base. The lease automatically renewed October 1, 2016 for another year with a new monthly rent of \$1,301.

Future minimum payments under the leases as of December 31, 2016 are as follows:

2017	\$	262,674
2018		181,355
	\$	<u>444,029</u>

The Company subleases space in its New York City office to a third party. The sublease commenced February 2015 for a six month period with automatic one-month extensions until brought to an end by either the Sublandlord or Subtenant. The terms of the sublease provide for monthly rental income of \$6,600 during the first year and \$6,860 during the next six-month period. Sublease income for the year ended December 31, 2016 amounted to \$82,060.

NOTE 5 – CUSTOMER PROTECTION RULE

The Company had no items reportable as customers' fully paid securities: (1) not in the Company's possession or control as of the audit date (for which instructions to reduce to possession or control had been issued as of the audit date) but for which the required action was not taken by the Company within the time frames specified under SEC Rule 15c3-3 or (2) for which instructions to reduce to possession or control has not been issued as of the audit date, excluding items arising from "temporary lags which result from normal business operations" as permitted under SEC Rule 15c3-3.

The Company is exempt from SEC Rule 15c3-3 pursuant to the exemptive provisions under sub-paragraph (k)(2)(i).

SILVER LANE ADVISORS LLC

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6 – INCOME TAXES

As previously discussed, the Company is a limited liability company and is treated as a partnership for income tax purposes. Accordingly, the taxable income of the Company is taxable to its members based on their respective ownership of the profit and losses of the Company. However, New York City imposes an unincorporated business tax on partnerships operating in New York City. The financial statements include a provision for these taxes. In addition to the New York City unincorporated business tax, Illinois imposes a replacement tax on the partnership and a provision for this tax has been included in the financial statements.