

**PALMER CAPITAL ADVISORS, LLC  
(FORMERLY KNOWN AS GNU SECURITIES LLC)**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2019**

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 1/1/2019 AND ENDING 12/31/2019  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

**Palmer Capital Advisors, LLC**

OFFICIAL USE ONLY

FIRM ID. NO.

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

**39 Broadway, Suite 3300**

(No. and Street)

**New York**

**NY**

**10006**

(City)

(State)

(Zip Code)

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

**Kathy Efrem**

**212-897-1686**

(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

**Lerner & Sipkin CPAs LLP**

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

**132 Nassau Street, Suite 1023**

**New York**

**NY**

**10038**

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

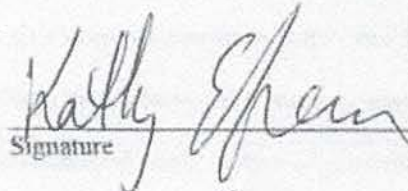
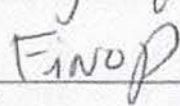
- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions

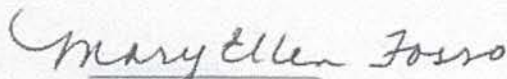
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

# AFFIRMATION

I, Kathy Efiem, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to Palmer Capital Advisors, LLC for year ended December 31, 2019, are true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.

  
Signature  
  
Title

  
Notary Public  
Feb. 26, 2020

MARY ELLEN FOSSO  
Notary Public, State of New York  
No. 01FO6116397  
Qualified in Nassau County  
Commission Expires September 27, 2020

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

- ☒ Report of Independent Registered Public Accounting Firm.
- ☒ Facing Page.
- ☒ Statement of Financial Condition.
- ☐ Statement of Operations.
- ☐ Statement of Changes in Member's Equity.
- ☐ Statement of Cash Flows.
- ☐ Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable).
- ☐ Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.
- ☐ Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- ☐ Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).
- ☐ A Reconciliation, including appropriate explanations, of the Computation of Net Capital Pursuant to Rule 15c3-1 and the Computation for Determination of Reserve Requirements Under Rule 15c3-3.
- ☐ A Reconciliation Between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).
- ☒ An Oath or Affirmation.
- ☐ A copy of the SIPC Supplemental Report.
- ☐ A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).
- ☐ Independent Auditors' Report on Internal Control Required by SEC Rule 17a-5(g)(1).
- ☐ Independent Auditors' Report Regarding Rule 15c3-3 Exemption.
- ☐ Rule 15c3-3 Exemption Report



# LERNER & SIPKIN

CERTIFIED PUBLIC ACCOUNTANTS LLP

132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A.  
jlerner@lernerpsipkin.com

Joseph G. Sipkin, C.P.A.  
jsipkin@lernerpsipkin.com

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of  
Palmer Capital Advisors LLC  
f/k/a GNU Securities LLC  
39 Broadway – Suite 3300  
New York, NY 10006

### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Palmer Capital Advisors LLC f/k/a GNU Securities LLC as of December 31, 2019, 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 Palmer Capital Advisors LLC f/k/a GNU Securities LLC as of December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

The financial statement is the responsibility of Palmer Capital Advisors LLC f/k/a GNU Securities LLC's management. Our responsibility is to express an opinion on Palmer Capital Advisors LLC f/k/a GNU Securities LLC'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 Palmer Capital Advisors LLC f/k/a GNU Securities LLC 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 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.

*Lerner & Sipkin CPAs LLP*  
Lerner & Sipkin CPAs, LLP  
Certified Public Accountants (NY)

We have served as Palmer Capital Advisors LLC f/k/a GNU Securities LLC's auditor since 2019.

New York, NY  
March 9, 2020

**PALMER CAPITAL ADVISORS, LLC  
(FORMERLY KNOWN AS GNU SECURITIES LLC)**

**STATEMENT OF FINANCIAL CONDITION**

**DECEMBER 31, 2019**

**ASSETS**

Cash	\$ 59,290
Prepaid expenses	<u>1,870</u>
Total assets	<u><u>\$ 61,160</u></u>

**LIABILITIES AND MEMBER'S EQUITY**

**Liabilities:**

Accounts payable and other liabilities	\$ 24,119
Due to affiliate	<u>1,100</u>
Total Liabilities	25,219

**Member's Equity**

35,941

Total liabilities and member's equity	<u><u>\$ 61,160</u></u>
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**The accompanying notes are an integral part of these financial statements.**

**PALMER CAPITAL ADVISORS, LLC  
(FORMERLY KNOWN AS GNU SECURITIES LLC)**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

**NOTE 1. DESCRIPTION OF ORGANIZATION AND BUSINESS**

Palmer Capital Advisors, LLC (the "Company") is a broker dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA") formed for the purpose of providing broker dealer services including financial advisory services, mergers and acquisition services and to engage in private placement of securities and similar services.

On May 7, 2019, the Company became a single member limited liability company and changed its name from Gnu Securities LLC.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") which 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 amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Income Taxes

The Company is a limited liability company, treated as a disregarded entity for federal, state and city income tax purposes; it therefore does not incur income taxes at the company level. Instead its earnings and losses are passed through to the member and included in the calculation of the member's tax liability. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Receivables and Contract Balances

Receivables arise when the Company has an unconditional right to receive payment under a contract with a customer and are derecognized when the cash is received. Contract assets arise when the revenue associated with the contract is recognized prior to the Company's unconditional right to receive payment under a contract with a customer (i.e., unbilled receivable) and are derecognized when either it becomes a receivable or the cash is received. Contract liabilities arise when customers remit contractual cash payments in advance of the Company satisfying its performance obligations under the contract and are derecognized when the revenue associated with the contract is recognized when the performance obligation is satisfied. As of January 1, 2019 and December 31, 2019, the Company had accounts receivable of \$ 15,958 and nil, respectively. It did not have any contract assets or contract liabilities as of those dates.

**PALMER CAPITAL ADVISORS, LLC  
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**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

**NOTE 3. RELATED PARTY TRANSACTIONS**

Pursuant to an administrative service agreement (the "Agreement") between the company and the Affiliate, the Affiliate pays for various expenses of the company without seeking reimbursement.

During the year ending December 31, 2019, the Affiliate agreed to pay expenses of approximately \$62,900 on behalf of the Company without seeking reimbursement.

**NOTE 4. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This Rule requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital both as defined shall not exceed 15 to 1 and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At December 31, 2019 the Company's net capital was \$34,071 which was \$29,071 in excess of its minimum requirement of \$5,000.

**NOTE 5. COMPLIANCE WITH RULE 15C3-3**

The Company does not handle cash or securities on behalf of customers and accordingly has no obligation under SEC Rule 15c3-3.

**NOTE 6. NEW ACCOUNTING PRONOUNCEMENT**

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments — Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which amends the FASB's guidance on the impairment of financial instruments. The ASU adds to United States generally accepted accounting principles ("U.S. GAAP") an impairment model (known as the current expected credit loss ("CECL") model) that is based on expected losses rather than incurred losses. Under the new guidance, an entity recognizes as an allowance its estimate of lifetime expected credit losses, which the FASB believes will result in more timely recognition of such losses. The ASU is also intended to reduce the complexity of U.S. GAAP by decreasing the number of credit impairment models that entities use to account for debt instruments. Further, the ASU makes targeted changes to the impairment model for available-for-sale debt securities. The new CECL standard is effective for annual reporting periods beginning after December 15, 2019, and interim periods therein. Management is currently evaluating the effect of adopting the new standard and expects that the impact to the Company's financial statements will be minimal.

**NOTE 7. CONCENTRATIONS**

All of the Company's cash is maintained in a single financial institution. The Company does not consider itself to be at risk with respect to this concentration.