

EKS&H CAPITAL ADVISORS, LLC

REPORT PURSUANT TO RULE 17 a-5

FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

FOR THE PERIOD FROM INCEPTION (JULY 24, 2017) THROUGH  
SEPTEMBER 30, 2017

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 07/24/17 AND ENDING 09/30/17  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: EKS&H Capital Advisors, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
8181 E. Tufts Ave., Suite 600

(No. and Street)

Denver

(City)

CO

(State)

80237

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Lori Gibson 303-846-3360

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Stockman Kast Ryan & Company, LLC

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

102 N. Cascade Ave., Suite 400

(Address)

Colorado Springs

(City)

Co

(State)

80903

(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)

## OATH OR AFFIRMATION

I, Lori Gibson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of EKS&H Capital Advisors, LLC, as of September 30, 2017, 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]  
Notary Public

[Signature]  
Signature  
Managing Director/FINOP  
Title

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 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).**



EKS&H CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENTS  
FOR THE PERIOD FROM INCEPTION (JULY 24, 2017) THROUGH  
SEPTEMBER 30, 2017

TABLE OF CONTENTS

	<u>Page</u>
Report of Independent Registered Public Accounting Firm	5
Statement of Financial Condition	6
Statement of Operations	7
Statement of Member's Equity	8
Statement of Cash Flows	9
Notes to Financial Statements	10-12
 <b>SUPPLEMENTAL INFORMATION</b>	
Schedule I – Computation of Net Capital Under Rule 15c3-1 Of the Securities and Exchange Commission	13
Schedule III – Computation for Determination of Reserve Requirements and Information Relating to the Possession and Control Requirements Under Rule 15c3-3	14
Report of Independent Registered Public Accounting Firm On Exemption Provisions Required by Rule 17a-5 of the Securities Exchange Commission	15
Exemption Report	16

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member  
EKS&H Capital Advisors, LLC

We have audited the accompanying statement of financial condition of EKS&H Capital Advisors, LLC (the Company) as of September 30, 2017, and the related statements of operations, changes in member's equity, and cash flows for the period from inception (July 24, 2017) through September 30, 2017. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EKS&H Capital Advisors, LLC as of September 30, 2017, and the results of its operations and its cash flows for the period from inception (July 24, 2017) through September 30, 2017 in accordance with accounting principles generally accepted in the United States of America.

The Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission and the Computation for Determination of Reserve Requirements and Information Relating to the Possession and Control Requirements Under Rule 15c3-3 have 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 listed above is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Stockman Kast Ryan + Co, LLP*

Colorado Springs, Colorado

November 3, 2017

EKS&H CAPITAL ADVISORS, LLC  
Statement of Financial Condition  
September 30, 2017

ASSETS

Cash and cash equivalents	\$194,206
Accounts receivable	39,422
Prepaid expenses	6,796
Cash held on deposit with clearing broker	<u>5,604</u>
	<b><u>\$246,028</u></b>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Accounts payable – related party	\$ 15,890
Accrued expenses	<u>41,869</u>
	57,759

MEMBER'S EQUITY

Member's equity	<u>188,269</u>
	<u>188,269</u>

**\$246,028**

The accompanying notes are an integral part of these financial statements.



EKS&H CAPITAL ADVISORS, LLC  
Statement of Operations  
For the period from Inception (July 24, 2017) through  
September 30, 2017

REVENUE

Investment advisory services	\$ 39,833
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EXPENSES

Employee compensation and benefits	188,875
Management fees	28,800
Marketing	14,939
Other operating expenses	<u>27,749</u>
Total expenses	<u>260,363</u>

Net loss	<u><b>\$(220,530)</b></u>
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The accompanying notes are an integral part of these financial statements.

EKS&H CAPITAL ADVISORS, LLC  
Statement of Member's Equity  
For the period from Inception (July 24, 2017) through  
September 30, 2017

Balance, July 24, 2017	\$ -
Contributions	408,799
Net loss	<u>(220,530)</u>
Balance, September 30, 2017	<u><b>\$188,269</b></u>

The accompanying notes are an integral part of these financial statements.



EKS&H CAPITAL ADVISORS, LLC  
Statement of Cash Flows  
For the period from Inception (July 24, 2017) through  
September 30, 2017

OPERATING ACTIVITIES	
Net loss	\$(220,530)
Changes in assets and liabilities	
Increase in accounts receivable	( 39,422)
Increase in prepaid expenses	( 6,796)
Increase in cash held on deposit	( 5,604)
Increase in accounts payable and accrued expenses	<u>57,759</u>
Cash used by operating activities	<u>(214,593)</u>
INVESTING ACTIVITIES	
Cash provided by investing activities	<u>-</u>
FINANCING ACTIVITIES	
Contributions	<u>408,799</u>
Cash provided by financing activities	<u>\$ 408,799</u>
NET INCREASE IN CASH	194,206
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>-</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$ 194,206</u>

**Supplemental Information**

Non- cash transactions	
Management Service Agreement fees contributed	<u>\$28,800</u>

The accompanying notes are an integral part of these financial statements.

EKS&H CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

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

**Organization**

EKS&H Capital Advisors, LLC (the "Company"), is a Colorado limited liability corporation organized on September 30, 2016. The Company is a wholly owned subsidiary of EKS&H Capital Holdings, LLC. The Company is a broker/dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company, in connection with its activities as a broker/dealer, is an introducing firm and is prohibited from receiving funds or securities from its customers. The Company does not maintain customer accounts or take custody of securities of any kind. The Company maintains one office in Denver, Colorado.

**Use of Estimates**

The preparation 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 significantly from those estimates.

**Income Taxes**

The Company has elected to be treated as an LLC for income tax purposes. Accordingly, taxable income and losses of the Company are reported on the income tax returns of the Company's members, and no provision for federal income taxes has been recorded in the accompanying financial statements. The Company is subject to income taxation in states that do not recognize LLC status.

The Company applies guidance of Accounting Standards Codification Topic 740, *Accounting for Uncertainty in Income taxes*. Under this guidance, if taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the managing member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

Interest and penalties associated with the tax positions are recorded in the period assessed as other expenses. No interest or penalties have been assessed as of September 30, 2017.

**Revenue Recognition**

Revenue is recorded for advisory fees, retainers, reimbursable expenses, and other fees when earned in accordance with the terms of individually negotiated contracts. Contingent fees are recorded when received or milestones are met.

**Cash and Cash Equivalents**

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.



EKS&H CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**Receivables**

The Company considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectable, they will be expensed when that determination is made.

**Concentrations of Credit Risk**

The Company maintains all cash in bank accounts, which at times may exceed federally insured limits. The Company has not experienced a loss in such accounts.

**Concentration of Revenue and Accounts Receivable**

The Company has two (2) customers that account for 60% of revenue and 60% of accounts receivable, respectively, as of September 30, 2017.

**Fair Value of Financial Instruments**

The carrying value of cash and accounts payable approximates fair value because of the short maturity of these items.

**Advertising Costs**

Advertising costs are expensed as incurred. Advertising expense for the period from inception (July 24, 2017) through September 30, 2017 was \$14,939.

**Subsequent Events**

Management of the Company has evaluated all subsequent transactions through the date the financial statements were available to be issued and has determined that there are no subsequent events that require recognition or disclosure.

**Note 2 - Net Capital Requirements**

The Company is subject to the SEC 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 8 to 1. At September 30, 2017, the Company had net capital of \$136,447 which was more than its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was 42.33% at September 30, 2017.

**Note 3 - Regulatory Provisions**

The Company is exempt from Securities and Exchange Commission Rule 15c3-3 under the provisions of Section (k)(2)(i) and, therefore, is not required to make the periodic computation for determination of reserve requirements or information relating to the possession and control requirements under Rule 15c3-3.



EKS&H CAPITAL ADVISORS, LLC  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2017

**Note 4 - Commitments**

The Company has entered into a Management Services Agreement ("MSA") with a company under common control whereby said company provides administrative services such as HRT, IT and accounting services, as well as provides office space, office furniture and all office equipment. The MSA is automatically renewed annually unless terminated per the clauses in the MSA. The monthly service charge is \$12,800.

**Note 5 – Related Party**

The Company has a Master Services Agreement with a company under common control whereby said company performs certain professional services as requested by the Company. These services are documented under Statements of Work (SOW's). The amounts due under this agreement are shown as Accounts Payable – related party.

**Note 6 – Profit Sharing Plan**

The Company has a Profit Sharing Plan for all eligible employees. The profit sharing contributions for the period from inception (July 24, 2017) through September 30, 2017 were \$1,372.

EKS&H CAPITAL ADVISORS, LLC  
Schedule I – Computation of Net Capital Under Rule 15c3-1  
Of the Securities Exchange Commission  
SEPTEMBER 30, 2017

Member's equity	\$188,269
Less: Total nonallowable assets	<u>51,822</u>
Net Capital	<u>\$136,447</u>
Aggregate indebtedness – from the Statement of Financial Condition	\$ 57,759
Basic net capital requirement	\$ 5,000
Excess net capital	\$131,447
Ratio aggregate indebtedness to net capital	42.33%
Net capital as reported in Company's Part II (unaudited) FOCUS Report as of September 30, 2017	\$178,316

The Company has amended its September 30, 2017 FOCUS Part IIA and SSOI reports to accurately reflect the amounts within this audit report.

EKS&H CAPITAL ADVISORS, LLC  
Schedule III – Computation for Determination of Reserve Requirements  
And Information Relating to the Possession and Control  
Requirements Under Rule 15c3-3  
SEPTEMBER 30, 2017

EKS&H Capital Advisors, LLC relies on Section k(2)(i) of the Securities and Exchange Commission Rule 15c3-3 to exempt them from the provisions of these rules.



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member  
EKS&H Capital Advisors, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) EKS&H Capital Advisors, LLC (the Company) identified the following provisions of 17 C.F.R. §15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. §240.15c3-3: (2)(i) (the "exemption provisions") and (2) the Company stated that EKS&H Capital Advisors, LLC met the identified exemption provisions throughout the most recent period from inception (July 24, 2017) through September 30, 2017 without exception. The Company'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 the Company'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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Stockman Kast Ryan & Co, LLP*

Colorado Springs, Colorado  
November 3, 2017

EKS&H CAPITAL ADVISORS, LLC  
Exemption Report  
SEPTEMBER 30, 2017

EKS&H Capital Advisors, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission. This Exemption report was prepared as required by 17 C.F.R. 240.17a-5(d)(1) and (4).

- EKS&H Capital Advisors, LLC is a broker/dealer registered with SEC and FINRA.
- EKS&H Capital Advisors, LLC claimed an exemption under paragraph (k)(2)(i) of Rule 15c3-3 for the period from inception (July 24, 2017) through September 30, 2017.
- EKS&H Capital Advisors, LLC is exempt from the provisions of Rule 15c3-3 because it meets conditions set forth in paragraph (k)(2)(i) of the rule, of which, the identity of the specific conditions are as follows:
  - The provisions of the Customer Protection Rule shall not be applicable to a broker dealer who, carries no margin accounts, promptly transmits all customer funds and delivers all securities received in connection with its activities as a broker or dealer, does not otherwise hold funds or securities for, or owe money or securities to, customers and effectuates all financial transactions between the broker or dealer and its customers through one or more bank accounts, each to be designated as "Special account for the Exclusive Benefit of Customers of (name of broker or dealer)."
- EKS&H Capital Advisors, LLC has met the identified exemption provisions throughout the period from inception (July 24, 2017) through September 30, 2017 without exception.
- EKS&H Capital Advisors, LLC has not recorded any exceptions to the exemption for period from inception (July 24, 2017) through September 30, 2017.

The above statement is true and correct to the best of my and the Company's knowledge.



Signed: \_\_\_\_\_  
Lori Gibson  
Managing Director, FINOP