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OMB APPROVAL	
OMB Number:	3235-0123
Expires:	October 31, 2004
Estimated average burden hours per response . . .	12.00

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

SEC FILE NUMBER
<b>8- 66075</b>

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 08/28/03 AND ENDING 12/31/03  
MM/DD/YY

APR 29 2004

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

Gabel Global Capital, LLC

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

420 Lexington Avenue, Suite 300

(No. and Street)

New York

NY

10170-0399

(City)

(State)

(Zip Code)

OFFICIAL USE ONLY
FIRM ID. NO.

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

Christian Tiriolo

(212) 490-3113

(Area Code- Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Goldstein Golub Kessler LLP

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

1185 Avenue of the Americas,

New York,

NY

10036

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

**PROCESSED**  
APR 07 2004

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THOMSON FINANCIAL

\* 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, Christian Tiriolo swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Gabel Global Capital, LLC, as of December 31, 20 03, 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:

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

CTA Tiriolo  
FINOP Signature

Title

Joyce O'Neill  
Notary Public  
JOYCE O'NEILL  
Notary Public, State of New York  
No. 4608312  
Qualified in Nassau County  
Commission Expires 7/31/05

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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flow.
- (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).



**GABEL GLOBAL CAPITAL, LLC**  
**(a limited liability company)**

**REPORT PURSUANT TO RULE 17a-5(d)**

**DECEMBER 31, 2003**

**GOLDSTEIN GOLUB KESSLER LLP**

**Certified Public Accountants and Consultants**

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**GABEL GLOBAL CAPITAL, LLC**  
(a limited liability company)

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**December 31, 2003**

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# GOLDSTEIN GOLUB KESSLER LLP

Certified Public Accountants and Consultants



## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Gabel Global Capital, LLC

We have audited the accompanying statement of financial condition of Gabel Global Capital, LLC (a limited liability company) as of December 31, 2003, and the related statements of income, changes in Members' capital, and cash flows for the period from August 28, 2003 (date operations commenced) to December 31, 2003 that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. 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 auditing standards generally accepted in the United States of America. 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 Gabel Global Capital, LLC as of December 31, 2003, and the results of its operations and its cash flows for the period from August 28, 2003 (date operations commenced) to December 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained on page 8 is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Goldstein Golub Kessler LLP*

**GOLDSTEIN GOLUB KESSLER LLP**

March 22, 2004

1185 Avenue of the Americas Suite 500 New York, NY 10036-2602  
TEL 212 372 1800 FAX 212 372 1801 www.ggkllp.com

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GABEL GLOBAL CAPITAL, LLC  
(a limited liability company)

STATEMENT OF FINANCIAL CONDITION

December 31, 2003

**ASSETS**

Investments in Treasury Bills, at fair value	\$2,000,000
Receivable from Clearing Broker	882,916
Cash and Cash Equivalents	2,440
Other Assets	10,000
<b>Total Assets</b>	<b>\$2,895,356</b>

**LIABILITIES AND MEMBERS' CAPITAL**

Accrued Expenses	\$ 5,105
Payable to Affiliates	2,896
<b>Total liabilities</b>	<b>8,001</b>
Members' Capital	2,887,355
<b>Total Liabilities and Members' Capital</b>	<b>\$2,895,356</b>

See Notes to Financial Statements

**GABEL GLOBAL CAPITAL, LLC**  
(a limited liability company)

**STATEMENT OF INCOME**

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Period from August 28, 2003 (date operations commenced) to December 31, 2003

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Revenue:

Net realized gain on investments	\$291,889
Interest	5,902

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Total revenue	297,791
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Expenses:

Trading and related expenses	23,753
Quotation and information services	3,116
Rent	2,896
Professional fees	7,000
Other	11,500

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Total expenses	48,265
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Net income	\$249,526
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See Notes to Financial Statements

**GABEL GLOBAL CAPITAL, LLC**  
(a limited liability company)

**STATEMENT OF CHANGES IN MEMBERS' CAPITAL**

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Period from August 28, 2003 (date operations commenced) to December 31, 2003

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Contributions	\$2,799,771
Withdrawals	(161,942)
Net income	249,526
Members' capital at December 31, 2003	<u>\$2,887,355</u>

See Notes to Financial Statements

**GABEL GLOBAL CAPITAL, LLC**  
(a limited liability company)

**STATEMENT OF CASH FLOWS**

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**Period from August 28, 2003 (date operations commenced) to December 31, 2003**

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Cash flows from operating activities:

Net income	\$ 249,526
Adjustments to reconcile net income to net cash used in operating activities:	
Changes in operating assets and liabilities:	
Increase in receivable from clearing broker	(882,916)
Increase in other assets	(10,000)
Increase in accrued expenses	5,105
Increase in due to affiliates	2,896

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**Net cash used in operating activities** (635,389)

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Cash flows used in investing activity - investment in Treasury Bills (2,000,000)

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Cash flows from financing activities:

Members' capital contributions	2,799,771
Members' capital withdrawals	(161,942)

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**Net cash provided by financing activities** 2,637,829

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Net change in cash and cash at end of period \$ 2,440

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See Notes to Financial Statements

**GABEL GLOBAL CAPITAL, LLC**  
(a limited liability company)

**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2003

**1. ORGANIZATION  
AND SIGNIFICANT  
ACCOUNTING  
POLICIES:**

Gabel Global Capital, LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and is a member of the Philadelphia Stock Exchange, Inc. The Company, which acts as an off-floor proprietary trading member, trades securities on behalf of its members, Perch Bay Partners Sigma I, LP (the "Partnership") and Perch Bay Group, LLC (the "Managing Member") and does not engage in retail business.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America which require the use of estimates by management.

Investments in securities and securities sold short traded on a national securities exchange or listed on Nasdaq are valued at the last reported sales price on the primary exchange on which such security shall have traded on the last business day of the year. Securities and securities sold short, traded on a national securities exchange for which there was no last reported sales price on the last business day of the year, are valued at the last reported bid or ask price, respectively. Securities traded over the counter and not listed on Nasdaq are valued at the last reported sales price on the last business day of the year, or, if no sales occurred on such day, at the bid price for long positions and ask price for short positions. The Managing Member may, in its sole discretion, value investments based upon its good faith and determination of fair market value.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses on security transactions are based on the first-in, first-out, or the specific-identification method.

No provision is made in the accompanying financial statements for liabilities for federal, state, or local income taxes since such liabilities are the responsibility of the individual Members.

The Company maintains cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash.

**2. INVESTMENTS  
IN SECURITIES:**

At December 31, 2003, the Company's securities consist entirely of United States Treasury Bills, with a maturity date of January 2, 2004. The securities are valued at an amortized cost of \$2,000,000, which approximates market value.

**3. RECEIVABLE  
FROM CLEARING  
BROKER:**

Receivable from clearing broker primarily represents credit balances from trading activities. The Company is subject to credit risk should the clearing broker be unable to repay this balance.

**GABEL GLOBAL CAPITAL, LLC**  
**(a limited liability company)**

**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2003**

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- 4. DERIVATIVE FINANCIAL INSTRUMENTS:** The Company's activities include the purchase and sale of a variety of index options. These derivatives are used for trading purposes. All positions are reported in the accompanying statement of financial condition at fair value and any change in fair value is reflected in the accompanying statement of income as gain or loss as it occurs. The Company had no positions held at December 31, 2003.
- 5. RELATED PARTY TRANSACTIONS:** The Managing Member provides general and administrative services to the Company. The Company is responsible for all other expenses, including but not limited to, trading and professional costs incurred in connection with its business, as well as its pro rata share of other fees and expenses. At December 31, 2003, \$2,896 is due to the Managing Member.
- 6. REGULATORY REQUIREMENTS:** As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule 15c3-1 of the SEC, which requires the maintenance of minimum net capital of 6-2/3% of aggregate indebtedness, as defined, or \$100,000, whichever is greater. At December 31, 2003, the Company had net capital of \$2,877,355, which exceeded the requirement by \$2,777,355.

**GABEL GLOBAL CAPITAL, LLC**  
(a limited liability company)

**SUPPLEMENTARY INFORMATION**

**COMPUTATION OF NET CAPITAL PURSUANT  
TO UNIFORM NET CAPITAL RULE 15c3-1**

**December 31, 2003**

Credits - Members' equity	\$2,887,355
Debits:	
Other assets	10,000
Total debits	10,000
Net capital	2,877,355
Minimum net capital requirement - the greater of 6-2/3% of aggregate indebtedness of \$8,001, or \$100,000	100,000
Excess net capital	\$2,777,355
Schedule of aggregate indebtedness - accrued expenses and other liabilities	\$ 8,001
Ratio of aggregate indebtedness to net capital	.003 to 1

There are no material differences between this computation of net capital and the corresponding computation prepared by the Company and included in the unaudited Part IIA FOCUS Report filing as of the same date.