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

SEC FILE NUMBER
8- 65705

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 January 1, 2008 AND ENDING December 31, 2008
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Growth Capital Services, Inc

OFFICIAL USE ONLY
FIRM I.D. NO.

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

275 Sacramento Street, Suite 800
(No and Street)

San Francisco California 94111
(City) (State) (Zip Code)

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

Brian Dunn 877.839.3224
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Breard & Associates, Inc. Certified Public Accountants

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

9221 Corbin Avenue, Suite 170 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.

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Washington, DC
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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)

Handwritten initials and date

OATH OR AFFIRMATION

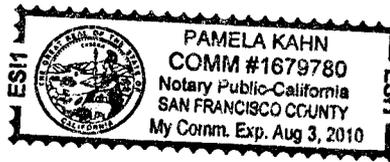
I, Brian Dunn, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Growth Capital Services, Inc., as of December 31, 2008, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

NA

State of California
County of San Francisco
Subscribed and sworn to (or affirmed) before me on this 28 day of January, 2009
by Brian Dunn
pk ~~per [redacted]~~ proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

[Signature]
Signature
[Title]
Title

Pamela Kahn
Notary Public
Annual Audited Report



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 Cash Flows
- (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 15c3-3 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).

BREARD & ASSOCIATES, INC.
Certified Public Accountants

Independent Auditor's Report

Board of Directors
Growth Capital Services, Inc.:

We have audited the accompanying statement of financial condition of Growth Capital Services, Inc. (the Company) as of December 31, 2008, and the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended 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 Growth Capital Services, Inc. as of December 31, 2008, and the results of its operations and its cash flows for the year then ended 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 in Schedules I, II, and III 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.



Breard & Associates, Inc.
Certified Public Accountants

Oakland, California
February 26, 2009

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Growth Capital Services, Inc.
Statement of Financial Condition
December 31, 2008

Assets

Cash	\$ 17,059
Accounts receivable	128,471
Equipment, net	452
Prepaid expenses	3,300
Prepaid income taxes	<u>600</u>
Total assets	<u>\$ 149,882</u>

Liabilities and Stockholder's Equity

Liabilities

Accounts payable & accrued expenses	<u>\$ 5,000</u>
Total liabilities	5,000

Stockholder's equity

Common stock, 10,000,000 shares authorized, 0.0001 par value, 7,505,348 shares issued and outstanding	361,301
Accumulated deficit	<u>(216,419)</u>
Total stockholder's equity	<u>144,882</u>
Total liabilities and stockholder's equity	<u>\$ 149,882</u>

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

Growth Capital Services, Inc.
Statement of Operations
For the Year Ended December 31, 2008

Revenues

Advisory fees	\$ 333,033
Consulting	68,000
Interest	<u>89</u>

Total revenues 401,122

Expenses

Administrative expenses	204,000
Commissions	93,802
Communications	11,966
Professional fees	84,196
Taxes, other than income taxes	1,100
Other operating expenses	<u>6,610</u>

Total expenses 401,674

Net income (loss) before income tax provision (552)

Income tax provision 800

Net income (loss) \$ (1,352)

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

Growth Capital Services, Inc.
Statement of Changes of Stockholder's Equity
For the Year Ended December 31, 2008

	<u>Common Stock</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance at December 31, 2007	\$ 361,301	\$ (215,067)	\$ 146,234
Net income (loss)	<u>—</u>	<u>(1,352)</u>	<u>(1,352)</u>
Balance at December 31, 2008	<u>\$ 361,301</u>	<u>\$ (216,419)</u>	<u>\$ 144,882</u>

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

Growth Capital Services, Inc.
Statement of Cash Flows
For the Year Ended December 31, 2008

Cash flows from operating activities:

Net income (loss)		\$ (1,352)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Depreciation	\$ 164	
(Increase) decrease in:		
Accounts receivable	(20,594)	
Prepaid expenses	1,340	
Prepaid income taxes	(600)	
(Decrease) increase in:		
Accounts payable & accrued expenses	(283,250)	
Commissions payable	(32,907)	
Income taxes payable	<u>(6,344)</u>	
Total adjustments		<u>(342,191)</u>
Net cash provided by (used in) operating activities		(343,543)

Cash flows from investing activities: —

Cash flows from financing activities: —

Net increase (decrease) in cash		(343,543)
Cash at beginning of year		<u>360,602</u>
Cash at end of year		<u><u>\$ 17,059</u></u>

Supplemental disclosure of cash flow information:

Cash paid during the year for		
Interest	\$ —	
Income taxes	\$ 1,400	

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

Growth Capital Services, Inc.
Notes to Financial Statements
December 31, 2008

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Growth Capital, Inc. the (Company) was incorporated in California on November 1, 2000, as ProgressiveTrade Securities, Inc. In January 2005, the Company changed its name from ProgressiveTrade Securities, Inc. to Aquillian Investments, Inc. In January 2007, the Company changed its name to Growth Capital Services, Inc. The Company operates as a registered broker/dealer in securities under the provisions of the Securities Exchange Act of 1934. The Company is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”).

The Company is authorized to engage in the private placement of securities. The Company is a fully disclosed broker/dealer whereby it does not hold customer funds or securities.

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.

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.

Investment banking revenues include fees earned from providing private placement advisory services. Revenue is recognized when services are billed.

Equipment is stated at cost. 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. Equipment is depreciated over its estimated useful life of five (5) years by the straight-line method.

Growth Capital Services, Inc.
Notes to Financial Statements
December 31, 2008

Note 1: GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

The Company accounts for its income taxes using the Financial Accounting Standards Board Statement of Financial Accounting Standards No. 109, "Accounting for income taxes", which requires the establishment of a deferred tax asset or liability for the recognition of the future deductible or taxable amounts and operating loss and tax credit carry forwards. Deferred tax expenses or benefits are recognized as a result of the changes in assets and liabilities during the year.

Note 2: EQUIPMENT, NET

Equipment, net is recorded at cost and summarized by major classifications as follows:

		<u>Depreciable Life Years</u>
Equipment	\$ <u>616</u>	5
	616	
Less: accumulated depreciation	<u>(164)</u>	
Equipment, net	<u>\$ 452</u>	

Depreciation expense for the year ended December 31, 2008, was \$164.

Note 3: INCOME TAXES

For the year ended December 31, 2008 the Company recorded the minimum California franchise tax of \$800.

At December 31, 2008, the Company had unused net operating loss carryforwards which may be applied against future taxable income. These carryforwards result in a deferred tax asset of approximately \$35,287. The period over which they may be utilized is limited under the tax law to specific term of years. The amount of the unused net operating loss carryforwards and the year of their expiration is as follows:

Amount of unused operating loss carryforwards	Expiration during year ended December 31
\$ 110,305	2022
85,418	2023
24,532	2024
13,046	2025
<u>1,952</u>	2028
<u>\$ 235,253</u>	

Growth Capital Services, Inc.
Notes to Financial Statements
December 31, 2008

Note 3: INCOME TAXES
(Continued)

A 100% valuation allowance has been established against this asset since management cannot determine if it is more likely than not that the asset will be realized.

In addition, Internal Revenue Code (IRC) Section 382 provides for an annual limitation on the use of the carryforwards upon an ownership change, as provided therein. On April 30, 2007, an ownership change occurred, triggering IRC Section 382. Beginning with the year ending December 31, 2008, IRC Section 382 will limit the ability of the Company to use cumulative net operating loss carry forwards.

Note 4: RELATED PARTY TRANSACTIONS

Ownership changed during year ended December 31, 2008 whereby the majority shareholder became the sole shareholder of the Company. The Company shared office space with Aquillian Investments, LLC (Aquillian) that was related to the Company through common ownership. During the year, the Company paid Aquillian \$204,000 for research services, which are included as administrative expenses on the financial statements.

Note 5: COMMITMENTS AND CONTINGENCIES

Contingencies

During the year, the Company maintained bank accounts at financial institutions. These accounts are insured either by the Federal Deposit Insurance Commission ("FDIC"), up to \$100,000, or SIPC, up to \$500,000. Effective October 3, 2008, the FDIC insurance limit was increased to \$250,000. This new limit is applicable through December 31, 2009.

At times during the year ended December 31, 2008, cash balances held in financial institutions may have been in excess of the FDIC and SIPC's insured limits. The Company has not experienced any losses in these accounts and management believes that it has placed its cash on deposit with financial institutions which are financially stable.

Growth Capital Services, Inc.
Notes to Financial Statements
December 31, 2008

Note 6: RECENTLY ISSUED ACCOUNTING STANDARDS

For the year ending December 31, 2008, various accounting pronouncements or interpretations by the Financial Accounting Standards Board 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 reviewed the following Financial Interpretation (“FIN”) and Statements of Financial Accounting Standards (“SFAS”) for the year to determine relevance to the Company’s operations:

<u>Statement Number</u>	<u>Title</u>	<u>Effective Date</u>
FIN 48	Accounting for Uncertainty in Income Taxes – an Interpretation of FASB Statement No. 109	After 12/15/07
SFAS 141(R)	Business Combinations	After 12/15/08
SFAS 157	Fair Value Measurements	After 12/15/07
SFAS 160	Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51	After 12/15/07
SFAS 161	Disclosures about Derivative Instruments and Hedging Activities – an Amendment of FASB Statement No. 133	After 12/15/08

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.

Note 7: NET CAPITAL

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. Net capital and aggregate indebtedness change day to day, but on December 31, 2008, the Company had net capital of \$12,059, which was \$7,059 in excess of its required net capital of \$5,000; and the Company's ratio of aggregate indebtedness(\$5,000) to net capital was 0.41 to 1, which is less than the 15 to 1 maximum ratio allowed for a broker/dealer.

Growth Capital Services, Inc.
Schedule I - Computation of Net Capital Requirements
Pursuant to Rule 15c3-1
As of December 31, 2008

Computation of net capital

Stockholder's equity

Common stock	\$ 361,301	
Accumulated deficit	<u>(216,419)</u>	
Total stockholder's equity		\$ 144,882

Less: Non allowable assets

Accounts receivable	(128,471)
Equipment, net	(452)
Prepaid expenses	(3,300)
Prepaid income taxes	<u>(600)</u>

Total adjustments (132,823)

Net Capital before haircuts 12,059

Less: Haircuts and undue concentration —

Net Capital 12,059

Computation of net capital requirements

Minimum net capital requirements		
6 2/3 percent of net aggregate indebtedness	\$ 333	
Minimum dollar net capital required	\$ 5,000	
Net capital required (greater of above)		<u>5,000</u>

Excess net capital \$ 7,059

Ratio of aggregate indebtedness to net capital 0.41: 1

There is no material difference between net capital shown here and net capital as reported on the Company's unaudited Form X-17A-5 report dated December 31, 2008.

See independent auditor's report.

Growth Capital Services, Inc.
Schedule II - Computation for Determination of Reserve
Requirements Pursuant to Rule 15c3-3
As of December 31, 2008

A computation of reserve requirement is not applicable to Growth Capital Services, Inc. as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(i).

See independent auditor's report.

Growth Capital Services, Inc.
Schedule III - Information Relating to Possession or Control
Requirements Under Rule 15c3-3
As of December 31, 2008

Information relating to possession or control requirements is not applicable to Growth Capital Services, Inc. as the Company qualifies for exemption under Rule 15c3-3 (k)(2)(i).

See independent auditor's report.

Growth Capital Services, Inc.
Supplementary Accountant's Report
on Internal Accounting Control
Report Pursuant to 17a-5
For the Year Ended December 31, 2008

BREARD & ASSOCIATES, INC.
Certified Public Accountants

Board of Directors
Growth Capital Services, Inc.:

In planning and performing our audit of the financial statements of Growth Capital Services, Inc. (the Company), as of and for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

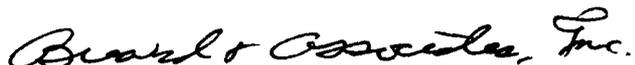
A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, Financial Industry Regulatory Authority, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Breard & Associates, Inc.
Certified Public Accountants

Oakland, California
February 26, 2009

Growth Capital Services, Inc.
Report Pursuant to Rule 17a-5 (d)
Financial Statements
For the Year Ended December 31, 2008

SEC Mail Processing
Section

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