

7/18/14



SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20547

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

SEC FILE NUMBER
8-67068

**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 01/01/13 AND ENDING 12/31/13
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Lynx Capital, LLC

OFFICIAL USE ONLY
FIRM I.D. NO

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

55 Parson Brown Ct.

(No. and Street)

Moraga,

(City)

CA

(State)

94556

(Zip Code)

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

Theodore J. Deutz

925-388-0462

(Area Code Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Ernest J. Winter, CPA

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

675 Ygnacio Valley Road, Suite A200

(Address)

Walnut Creek

(City)

CA

(State)

94596

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
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DIVISION OF TRADING & MARKETS

CHECK ONE:

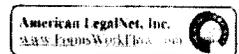
- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

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).

SEC 1410 (06-02)

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7/17/14

OATH OR AFFIRMATION

I, Theodore J. Deutz, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Lynx Capital, LLC, as of December 31, 2013, 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

[Handwritten Signature]

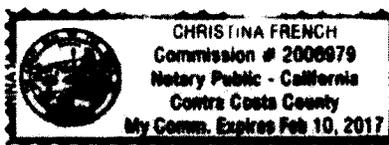
Signature

PRESIDENT

Title

Christina French

Notary Public



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).

Independent Auditor's Report

To the Members
Lynx Capital, LLC
Moraga, California

Report on the Financial Statements

We have audited the accompanying financial statements of Lynx Capital, LLC, (a California limited liability company), which comprise the statement of financial condition as of December 31, 2013, and the related statements of income (loss), changes in members' equity, and cash flows for the year then ended that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We could not audit the beginning balance of the company's investment in Redwood Capital Group, LLC that was disclosed in the 2012 audited financial statements but not reported on the balance sheet. We were unable to obtain sufficient appropriate audit evidence from the members of Lynx Capital, LLC prior to the sale of their membership interests or by other auditing procedures regarding the amount of the investment, distributions, and any gain or loss resulting from the sale transaction between Lynx Capital, LLC and Redwood Capital Group, LLC.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Lynx Capital, LLC as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements 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 financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information in Schedules I and II has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information in Schedules I, II and III is fairly stated in all material respects in relation to the financial statements as a whole.

FWitt + Associates

March 5, 2014

Lynx Capital, LLC
Statement of Financial Condition
December 31, 2013

Assets	
Cash	\$ 10,237
Prepaid expenses	<u>864</u>
Total assets	<u>\$ 11,101</u>
Liabilities and Members' Equity	
Liabilities	
Accrued expenses	\$ <u>2,496</u>
Total liabilities	<u>2,496</u>
Members' Equity	
Retained earnings	<u>8,605</u>
Total members' equity	<u>8,605</u>
Total liabilities and members' equity	<u>\$ 11,101</u>

The accompanying notes are an integral part of these financial statements

Lynx Capital, LLC
Statement of Income (Loss)
For the Year Ended December 31, 2013

Revenues

Fees	\$ 71,314
Other income	<u>251</u>
Total Revenues	<u>71,565</u>

Operating Expenses

Commission expense	37,890
E-mail service	2,500
Management fees	22,586
Professional fees	19,971
Regulatory fees	18,324
All other expenses	<u>3,202</u>
Total Expenses	<u>104,473</u>
Net Income (Loss)	<u>\$ (32,908)</u>

The accompanying notes are an integral part of these financial statements

Lynx Capital, LLC
Statement of Changes in Members' Equity
For the Year Ended December 31, 2013

Balance, December 31, 2012	\$ 23,391
Capital contribution	60,000
Capital distribution	(41,878)
Net Income (Loss)	<u>(32,908)</u>
Balance, December 31, 2013	<u>\$ 8,605</u>

The accompanying notes are an integral part of these financial statements

Lynx Capital, LLC
Changes in Financial Condition
For the Year Ended December 31, 2013

Cash flows from operating activities:	
Net income (loss)	\$ (32,908)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities	
(Increase) decrease in assets:	
Prepaid expenses	(864)
Increase (decrease) in liabilities:	
Accrued expenses	<u>(10,640)</u>
Net cash provided (used in) operating activities	<u>(44,412)</u>
Net cash provided by (used in) investing activities	<u>-</u>
Cash flow from financing activities	
Capital contribution	60,000
Capital distribution	<u>(41,878)</u>
Net cash provided by (used in) financing activities	<u>18,122</u>
Net increase(decrease) in cash	(26,290)
Cash at beginning of year	<u>36,527</u>
Cash at end of year	<u>\$ 10,237</u>

The accompanying notes are an integral part of these financial statements

Lynx Capital, LLC
Notes to Financial Statements
December 31, 2013

Note 1 – Organization and Nature of Business

Lynx Capital, LLC, formerly GP Group, LLC (the “Company”), was organized in the State of California on October 21, 2008. The Company operates as a registered broker-dealer in securities under the Securities and Exchange Act of 1934, and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”).

The Company is engaged in providing private placement of securities on a best effort basis and corporate finance and other investment banking advisory services. The company does not carry security accounts for customers and does not perform custodial functions relating to customer securities.

In January, 2012 the members entered into an agreement with Redwood Capital Group, LLC (RCG) to sell all of the assets of the Company to RCG in exchange for shares in RCG. Those shares were allocated to both the Company and Gemini Partners, a related company.

The members of the Company then joined RCG’s broker/dealer entity. They remained dually registered with the Company and RCG. The members then entered into an LOI to sell 100% of the LLC units of the Company (which represented 100% of the ownership interests in the Company). Following approval of the Form CMA by FINRA, the transaction closed on September 18, 2013 with the sale of the LLC interest of the Company to new members. Upon closing of the transaction, both previous members terminated registration with the Company in September 2013. Neither member transacted any broker dealer transactions through the Company in 2013.

Note 2 – Significant Accounting Policies

Basis of Presentation – The Company conducts the following types of business as a securities broker-dealer, which comprises several classes of services, including:

- Investment advisory services
- Broker or dealer selling tax shelters or limited partnerships in primary distributions
- Private placements of securities

Under its membership agreement with FINRA and pursuant to Rule 15c3 (k) (2) (i), the Company conducts business on a fully disclosed basis and does not execute or clear securities transactions for customers. Accordingly, the Company is exempt from the requirement of Rule 15c3-3 under the Securities Exchange Act of 1934 pertaining to the possession or control of customer assets and reserve requirements.

Use of Estimates – The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Lynx Capital, LLC
Notes to Financial Statements
December 31, 2013

Note 2 – Significant Accounting Policies (continued)

Fee Income – Fee income is earned from providing private placement and investment banking services. Revenue is recognized when earned either by fee contract or the success of a predetermined specified event and the income is reasonably determinable.

Income Taxes – The Company, a limited liability company, is taxed as a partnership under the Internal Revenue Code and a similar state statute. In lieu of income taxes, the Company passes 100% of its taxable income and expenses to its members. Therefore, no provision or liability for federal or state income taxes is included in these financial statements. However, the Company is subject to the annual California LLC tax of \$800 and a California LLC fee based on gross income. The Company is no longer subject to examinations by major tax jurisdictions for years before 2009.

Statement of Changes in Financial Condition – The Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months that are not held for sale in the ordinary course of business.

Fair Value of Financial Instruments – Unless otherwise indicated, the fair values of all reported assets and liabilities that represent financial instruments (none of which are held for trading purposes) approximate the carrying values of such amounts.

Note 3 – Related Party Transactions

The Company paid \$22,586 during the year to an affiliate to cover office expenses and management services until the change in ownership in September 2013.

Note 4 – Net Capital Requirement

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 15 to 1. Net capital and aggregate indebtedness change day by day, but on December 31, 2013, the Company had net capital of \$7,741 which was \$2,741 in excess of its required net capital of \$5,000. The Company's net capital ratio was .32 to 1.

Note 5 – SIPC Supplementary Report Requirement

The Company is not required to complete the SIPC Supplementary Report under SEC Rule 17a-5(e) (4) for fiscal year ending December 31, 2013 because the Company's SIPC Net Operating Revenues are under \$500,000.

Lynx Capital, LLC
Notes to Financial Statements
December 31, 2013

Note 6 – Subsequent Events

Management has reviewed the results of operations for the period of time from its year end December 31, 2013 through March 5, 2014, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

Supplemental Information

Lynx Capital, LLC
Schedule I - Computation of Net Capital
Pursuant to Rule 15c3-1
December 31, 2013

Computation of Net Capital

Total ownership equity (from Statement of Financial Condition)	\$ 8,605
Non allowable assets:	
Prepaid expenses	<u>(864)</u>
Net Capital	\$ 7,741

Computation of Net Capital Requirements

Minimum net capital indebtedness	
6.67% of net aggregate indebtedness	<u>\$ 166</u>
Minimum dollar net capital required	<u>\$ 5,000</u>
Net Capital required (greater of above amounts)	<u>\$ 5,000</u>
Excess Capital (Deficit)	<u>\$ 2,741</u>

Excess net capital at 1000% (net capital less 10% of aggregate indebtedness)

\$ 7,491

Computation of Aggregate Indebtedness

Total liabilities (from Statement of Financial Condition)	<u>\$ 2,496</u>
Ratio of indebtedness to net capital	0.32

There were no material differences noted in the Company's net capital computation at December 31, 2013.

The accompanying notes are an integral part of these financial statements

Lynx Capital, LLC
Schedule II – Computation for Determination of Reserve
Requirements Pursuant to Rule 15c3-3
As of December 31, 2013

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

Lynx Capital, LLC
Schedule III – Information Relating to Possession or Control
Requirements under Rule 15c3-3
As of December 31, 2013

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

Independent Auditor's Report on Internal Control Under SEC Rule 17a-5(g)(1)

To the Members
Lynx Capital, LLC
Moraga, California

In planning and performing our audit of the financial statements and supplemental schedules of Lynx Capital, LLC, as of and for the year ended December 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered Lynx Capital, LLC'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 Lynx Capital, LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of Lynx Capital, LLC'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 Lynx Capital, LLC 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 Lynx Capital, LLC 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 Lynx Capital, LLC 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 judgments 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 previously 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 Lynx Capital, LLC 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.

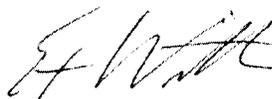
A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

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 previously.

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 Lynx Capital, LLC's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2013, to meet the SEC's objectives.

This report is intended solely for the information and use of the Members, management, the SEC, FINRA, 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.

 + Associates

March 5, 2014