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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

OMB APPROVAL	
OMB Number:	3235-0123
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8-68457

**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 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Boursa Investment Advisors, Inc.

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

525 B Street, Suite 910  
(No. and Street)  
San Diego CA 92101  
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Jose Mondragon 619-753-6949  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
Brian W. Anson, CPA  
(Name - if individual, state last, first, middle name)  
18425 Burbank Blvd., #606 Tarzana CA 91356  
(Address) (City) (State) (Zip Code)

**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)

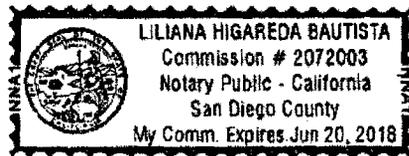
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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OATH OR AFFIRMATION

I, Jose Mondragon, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Boursa Investment Advisors, Inc., as of December 31, 2016, 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:

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



*[Handwritten Signature]*  
Signature

CEO

Title

*[Handwritten Signature]*  
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).

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

**CIVIL CODE § 1189**

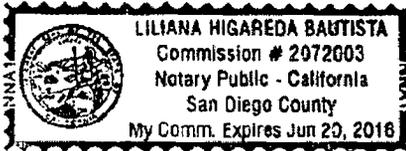
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of San Diego )  
On February 17, 2017 before me, Liliana Bautista, Notary Public  
Date Here Insert Name and Title of the Officer  
personally appeared Jose Hernandez-Mondragon  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature \_\_\_\_\_  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

**Description of Attached Document**

Title or Type of Document: Annual Audited Report Form X-17A - 5 Part III Document Date: 2/17/17  
Number of Pages: 3 Signer(s) Other Than Named Above: N/A

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: Jose Hernandez-Mondragon Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: N/A Signer Is Representing: \_\_\_\_\_

**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Board of Directors  
Boursa Investment Advisors, Inc.  
San Diego, California

I have audited the accompanying statement of financial condition of Boursa Investment Advisors, Inc. as of December 31, 2016 and the related statements of income, changes in stockholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of Boursa Investment Advisors, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boursa Investment Advisors, Inc. as of December 31, 2016 and the results of its operations and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The supplemental information for the year ended December 31, 2016 (Schedule I, Statement of Net Capital Under Rule 15c3-1, Schedule II, Determination of Reserve Requirements Under Rule 15c3-3 (exemption), and Schedule III, Information for Possession or Control Requirements Under Rule 15c3-3 (exemption)) has been subjected to audit procedures performed in conjunction with the audit of Boursa Investment Advisors, Inc.'s financial statements. The supplemental information is the responsibility of Boursa Investment Advisors, Inc.'s management. My 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 my opinion on supplemental information, I evaluated whether the supplemental information, including the form and content is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In my opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

This opinion is intended solely for the information and use of the board of directors, the Securities and Exchange Commission, and other regulatory agencies which 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.



Brian W. Anson  
Certified Public Accountant  
Tarzana, California  
February 10, 2017

# BOURSA INVESTMENT ADVISORS, INC.

## Statement of Financial Condition

December 31, 2016

### ASSETS

Cash and cash equivalents	\$ 54,968
Deposits with clearing organization	1,457,408
Commissions receivable	16,500
Securities owned, at market value	0
Furniture and equipment, less accumulated depreciation of \$7,605	4,668
Prepaid and other assets	<u>7,180</u>
Total assets	<u>\$1,540,723</u>

### LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities	
Accounts payable	\$ 20,961
Accrued commissions and salaries	198,507
Payroll taxes payable	17,318
Income taxes payable	39,774
Deferred rent	<u>5,392</u>
Total liabilities	<u>281,952</u>
Stockholders' equity	
Common stock, par value \$1.00, 100,000 shares authorized, 5,250 issued and outstanding	5,250
Additional paid-in capital	512,898
Retained earnings	<u>740,623</u>
Total stockholders' equity	<u>1,258,771</u>
Total liabilities and stockholders' equity	<u>\$1,540,723</u>

*See notes to financial statements.*

# BOURSA INVESTMENT ADVISORS, INC.

## Statement of Income

Year Ended December 31, 2016

Revenues	
Commissions	\$1,256,009
Realized trading gains	455,998
Other Revenue	23,386
Interest and dividends	<u>5,012</u>
Total revenues	<u>1,740,405</u>
Expenses	
Commissions and clearing charges	612,700
Compensation and employee benefits	762,637
Taxes, licenses, and registrations	54,537
Occupancy	44,590
Information services and communications	46,234
Outside services	46,247
Travel and subsistence	10,680
Depreciation	2,155
Other	<u>30,488</u>
Total expenses	<u>1,610,268</u>
Income before income taxes	130,137
Income tax expense	<u>39,774</u>
Net income	<u>\$ 90,363</u>

*See notes to financial statements.*

# BOURSA INVESTMENT ADVISORS, INC.

## Statement of Changes in Stockholders' Equity

Year Ended December 31, 2016

	<i>Shares</i>	<i>Common Stock Amount</i>	<i>Additional Paid-in Capital</i>	<i>Retained Earnings</i>	<i>Total</i>
Balance, beginning of year	5,250	\$5,250	\$512,898	\$650,260	\$1,168,408
Net income	-	-	-	90,363	90,363
Balance, end of year	<u>5,250</u>	<u>\$5,250</u>	<u>\$512,898</u>	<u>\$740,623</u>	<u>\$1,258,771</u>

*See notes to financial statements.*

# BOURSA INVESTMENT ADVISORS, INC.

## Statement of Cash Flows Year Ended December 31, 2016

Cash flows from operating activities	
Net income	\$ 90,363
Adjustments to reconcile net income to net cash used in operating activities	
Depreciation	2,155
Changes in operating assets and liabilities	
Deposits with clearing organization	(373,094)
Commissions receivable	16,436
Securities owned, market value	105,260
Securities sold not yet purchased	(22,024)
Prepaid and other assets	1,791
Accounts payable	(85,778)
Accrued commissions and salaries	198,507
Payroll taxes payable	17,318
Income taxes payable	39,774
Deferred rent	5,392
Adjustments	<u>(94,263)</u>
Net cash used in operating activities	<u>(3,900)</u>
Net decrease in cash	(3,900)
Cash and cash equivalents, Beginning of year	<u>58,868</u>
End of year	\$ 54,968
Supplemental disclosure of cash flow information:	
Cash paid during the year for:	
Interest	\$ 0 -
Taxes	\$ 800

*See notes to financial statements.*

# BOURSA INVESTMENT ADVISORS, INC.

## Notes to Financial Statements

### I. THE COMPANY AND ITS SIGNIFICANT ACCOUNTING POLICIES

**The Company.** Boursa Investment Advisors, Inc. (the "Company"), a California corporation, is a registered broker-dealer licensed by the United States Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority. The Company provides broker-dealer services as an introducing broker-dealer clearing customer transactions through another broker-dealer on a fully disclosed basis.

**Accounting Estimates.** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect the reported amounts of assets and liabilities and disclosures 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 may differ from those estimates.

**Cash and Cash Equivalents.** Cash and cash equivalents are highly liquid investments, with original maturities of less than 90 days. Cash and cash equivalents are composed of interest-bearing deposits, non-interest-bearing deposits and money market funds.

**Fixed Assets.** Fixed assets are stated at cost less accumulated depreciation. Maintenance and repairs which do not extend asset lives are expensed as incurred. Depreciation is provided on the straight-line method over the estimated useful lives of the assets (generally three years).

**Revenue Recognition.** Security transactions and the related commission revenue are recorded on a trade date basis. Trading options for the benefit of the Company are also recorded on a trade-date basis. By December 31<sup>st</sup>, 2016 the Company had sold all of its securities holdings.

**Income Taxes.** The Company accounts for income taxes using the asset and liability method whereby deferred tax asset or liability account balances are calculated at the balance sheet date using current tax laws and rates in effect. Valuation allowances are established, when necessary, to reduce deferred tax assets when it is *more likely than not* that a portion or all of a given deferred tax asset will not be realized. Income tax expense includes (i) deferred tax expense, which generally represents the net change in the deferred tax asset or liability balance during the year plus any change in valuation allowances and (ii) current tax expense, which represents the amount of tax currently payable to or receivable from a taxing authority. The Company is subject to audit by the taxing agencies for years ending December 31, 2013, 2014, and 2015.

**Concentration of Credit Risk.** The Company maintains bank accounts with cash balances that exceed federally insured limits. No credit losses have been experienced on these accounts. Management believes that any potential credit losses would be minimal and, accordingly, no reserve for such losses has been established.

**Accounts held at Clearing Firm.** The Company maintains funds and securities at its clearing firm, Wedbush Securities, including a security deposit of \$100,000. The total balance of the Company's cash assets held by Wedbush Securities is 1,457,408.

# BOURSA INVESTMENT ADVISORS, INC.

## Notes to Financial Statements

### 2. Fair Value Measurements

The Company follows a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included with level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability.

There were no levels to measure at December 31, 2016:

### 3. COMMITMENTS AND CONTINGENCIES

*Operating Lease.* The Company leases office space under a lease agreement that expires in June 2019. Rent expense was approximately \$36,241 for the year ended December 31, 2016. For years ending December 31, 2017, 2018 and 2019 future minimum lease payments are \$36,621, \$37,683 and \$21,454 respectively.

*Off Balance Sheet Risk.* As discussed in Note 1, the Company does not hold customer segregated cash or securities balances. Transactions are processed by a clearing firm on a fully disclosed basis. In conjunction with this arrangement, the Company is contingently liable for any unsecured debit balances in the customer accounts introduced by the Company. These customer activities may expose the Company to off-balance-sheet credit risk in the event the introduced customer is unable to fulfill its contracted obligations. The Company seeks to control such credit risk by monitoring its exposure to the risk of loss daily, on an account-by-account basis. At December 31, 2016, the Company was not responsible for any unsecured debits and did not have any open positions in its trading accounts.

### 4. NET CAPITAL REQUIREMENTS

Under Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital (as defined) and a ratio of aggregate indebtedness to net capital (as defined) not exceeding 15 to 1.

The Company's ratio at December 31, 2016 was 0.14 to 1. The basic concept of the Rule is liquidity, its object being to require a broker-dealer in securities to have at all times

# BOURSA INVESTMENT ADVISORS, INC.

## Notes to Financial Statements

sufficient liquid assets to cover its current indebtedness. At December 31, 2016, the Company had net capital of \$1,340,620 which was \$1,240,620 in excess of the amount required by the SEC.

### 5. COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS AND INFORMATION RELATING TO THE POSSESSION AND CONTROL REQUIREMENTS UNDER SEC RULE 15c3-3

The Company relies on Section K(2)(ii) of the SEC Rule 15c3-3 to exempt them from the provisions of these rules.

### 6. FURNITURE AND EQUIPMENT

Furniture and equipment	\$12,273
Less: Accumulated Depreciation	<u>7,605</u>
	\$ 4,668

Depreciation expense for the year ended December 31, 2016 was \$2,155.

### 7. PENSION PLAN

The Company has a 401(k) plan for the benefit of its eligible employees. The Company matches up to a maximum of 3% of the employee's salary. The Company's contribution to the 401(k) plan for the year ended December 31<sup>st</sup>, 2016 is \$24,621.

### 8. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the statement of financial condition date through February 10, 2017 the date at which the financial statements were issued, and determined there are no other items to disclose.

\*\*\*\*\*

**BOURSA INVESTMENT ADVISORS, INC.**

**Schedule I  
Computation of Net Capital  
Pursuant to SEC Rule 15c3-1**

**December 31, 2016**

Total stockholders' equity	\$1,352,488
Less non-allowable assets	
Furniture and equipment	4,668
Prepaid and other assets	<u>7,200</u>
Net capital before haircuts on security positions	1,340,620
Less haircuts on security positions	
Options	0
Other securities	<u>0</u>
Net capital	1,340,620
Minimum net capital required	<u>100,000</u>
Excess net capital	<u>\$ 1,240,620</u>
Total aggregate indebtedness	<u>\$ 188,630</u>
Ratio of aggregate indebtedness to net capital	0.14

*Note: There are differences between the net capital reported above and the net capital reported on Form FOCUS X-17A-5 Part IIA at December 31, 2016 caused by additional accruals.*

**BOURSA INVESTMENT ADVISORS, INC.**

**Schedule II  
Computation for Determination of Reserve Requirements  
Pursuant to Rule 15c3-3**

**December 31, 2016**

The Company is exempt from Rule 15c3-3 under the exemptive provisions of section (k)(2)(ii) and, accordingly, has no reserve requirements. Consequently, a reserve requirement was not calculated in Part II of Form X-17A-5 of this Company's FOCUS report as of December 31, 2016; and a reconciliation to that calculation is not included herein.

**BOURSA INVESTMENT ADVISORS, INC.**

**Schedule III  
Information Relating to the Possession or Control Requirements  
Pursuant to Rule 15c3-3**

**December 31, 2016**

The Company is exempt from Rule 15c3-3 under the exemptive provisions of section (k)(2)(ii) and, accordingly, has no possession or control requirements.

## BOURSA INVESTMENT ADVIORS, INC.

### Assertions Regarding Exemption Provisions

Boursa Investment Advisors, Inc., a California corporation ("the Company"), is responsible for compliance with the annual reporting requirements under Rule 17a-5 of the Securities Exchange Act of 1934. Those requirements compel a broker or dealer to file annual reports with the Securities Exchange Commission (SEC) and the broker's or dealer's designated examining authority (DEA). One of the reports to be included in the annual filing is an exemption report prepared by an independent public accountant based upon a review of assertions provided by the broker or dealer. Pursuant to that requirement, the management of the Company hereby makes the following assertions:

#### Identified Exemption Provision:

The Company claims exemption from the custody and reserve provisions of Rule 15c3-3 by operating under the exemption provided by Rule 15c3-3(k)(2)(ii).

#### Statement Regarding Meeting Exemption Provision.

The Company met the identified exemption provision without exception throughout the period ending January 1, 2016 through December 31, 2016.

A handwritten signature in black ink, appearing to be "J. W. W.", written over a large, faint circular stamp or watermark.

Feb 10, 2017

**BRIAN W. ANSON**

*Certified Public Accountant*

18425 Burbank Blvd., Suite 606, Tarzana, CA 91356 • Tel. (818) 401-8800 • Fax (818) 401-8818

**REPORT OF INDEPENDENT REGISTERED PUBLIC  
ACCOUNTING FIRM**

Board of Directors  
Boursa Investment Advisors, Inc.  
San Diego, California

I have reviewed management's statements, included in the accompanying Boursa Investment Advisors, Inc., Exemption Report in which (1) Boursa Investment Advisors, Inc. identified the following provisions of 17 C.F.R. §15c3-3(k) under which Boursa Investment Advisors, Inc. claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(ii) (the "exemption provision") and (2) Boursa Investment Advisors, Inc. stated that Boursa Investment Advisors, Inc. met the identified exemption provision throughout the most recent fiscal year without exception. Boursa Investment Advisors, Inc.'s management is responsible for compliance with the exemption provision and its statements.

My 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 Boursa Investment Advisors, Inc.'s compliance with the exemption provision. 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, I do not express such an opinion.

Based on my review, I am 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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.



Brian W. Anson  
Certified Public Accountant  
Tarzana, California  
February 10, 2017