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

Section  
SEC FILE NUMBER  
8-66065

Washington DC

**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: GCA ADVISORS, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

**ONE MARITIME PLAZA, 25TH FLOOR**

(No. and Street)

**SAN FRANCISCO**

**CA**

**94111**

(City)

(State)

(Zip Code)

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

DANIEL H. VEATCH 415-318-3626

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**OUM & CO. LLP**

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

**601 CALIFORNIA STREET, SUITE 1800 SAN FRANCISCO**

**CA**

**94108**

(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)

  
SEC 1410 (06-02)

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**GCA ADVISORS, LLC**

FINANCIAL STATEMENTS  
AND SUPPLEMENTAL INFORMATION  
WITH  
REPORTS OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

DECEMBER 31, 2016

**GCA ADVISORS, LLC**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTAL INFORMATION**  
**DECEMBER 31, 2016**

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OATH OR AFFIRMATION

I, DANIEL H. VEATCH, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GCA ADVISORS, LLC 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:

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

*See attached*

Daniel H. Veatch  
Signature  
CHIEF FINANCIAL OFFICER  
Title

\_\_\_\_\_  
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~~ 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 15c3-1 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**

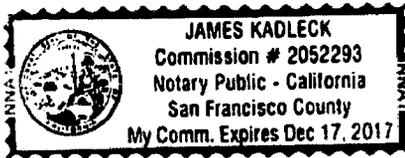
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of SAN FRANCISCO )  
On 2/27/2017 before me, JAMES KADLECK, NOTARY PUBLIC  
Date Here Insert Name and Title of the Officer  
personally appeared DANIEL HAYWARD VEATCH  
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 [Handwritten 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: FINANCIAL AUDIT REPORT Document Date: 12/31/16  
Number of Pages: 16 Signer(s) Other Than Named Above: NONE

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

Signer's Name: DANIEL VEATCH  
 Corporate Officer — Title(s): CEO  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: GCA ADVISORS, LLC

~~Signer's Name: \_\_\_\_\_  
 Corporate Officer — Title(s): \_\_\_\_\_  
 Partner —  Limited  General  
 Individual  Attorney in Fact  
 Trustee  Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_~~



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Executive Committee  
of GCA Advisors, LLC

We have audited the accompanying statement of financial condition of GCA Advisors, LLC (a Delaware limited liability company) (the Company) as of December 31, 2016, and the related statements of income, changes in member's equity, and cash flows for the year then ended. 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 also 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 GCA Advisors, LLC as of December 31, 2016, 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.

The information contained in Supplemental Schedule I - Computation of Net Capital Under Rule 15c3-1, Supplemental Schedule II - Computation for Determination of Reserve Requirements Under Rule 15c3-3 (exemption), and Supplemental 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 GCA Advisors, LLC's financial statements. The supplemental information is the responsibility of GCA Advisors, LLC'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 Securities Exchange Act of 1934 Rule 17a-5. In our opinion, the supplemental information noted above is fairly stated, in all material respects, in relation to the financial statements as a whole.

**OUM & CO. LLP**

San Francisco, California  
February 24, 2017

**GCA ADVISORS, LLC**  
Statement of Financial Condition  
December 31, 2016

**Assets**

Cash and cash equivalents	\$ 27,498,847
Accounts receivable, net of allowance of \$356,723	1,633,651
Due from affiliates	2,114,453
Deferred tax asset	872,217
Prepaid expenses & Other Assets	517,882
Total assets	<u>\$ 32,637,050</u>

**Liabilities and Member's Equity**

Accounts payable	\$ 409,079
Accrued compensation	10,443,870
Due to affiliate	774,438
Deferred revenue	582,916
Other accrued liabilities	1,881,088
Total liabilities	14,091,391
Commitments and contingencies (Note 6)	
Member's equity	<u>18,545,659</u>
Total liabilities and member's equity	<u>\$ 32,637,050</u>

See accompanying notes to the financial statements.

**GCA ADVISORS, LLC**  
**Statement of Income**  
Year ended December 31, 2016

<b>Revenues:</b>	
Investment banking and transaction fees	\$ 65,042,634
Loss on investment	(19,229)
	<u>65,023,405</u>
<b>Expenses:</b>	
Compensation and benefits	35,645,326
Professional services	1,414,094
Office and equipment leases	3,863,961
Marketing and business development	1,033,949
Allocations of revenue to affiliate on cross-border transactions	2,570,000
Other general and administrative	4,438,195
	<u>48,965,525</u>
Operating income	<u>16,057,880</u>
<b>Other income/expense:</b>	
Loss on exchange rates	(340,001)
Interest income and other expenses	2,555
	<u>(337,446)</u>
Income before income taxes	15,720,434
Income taxes	<u>6,285,696</u>
Net income	<u>\$ 9,434,738</u>

See accompanying notes to the financial statements.

**GCA ADVISORS, LLC**  
**Statement of Changes in Member's Equity**  
**Year ended December 31, 2016**

Member's equity at beginning of year	\$ 13,021,224
Net distributions to member	(3,910,303)
Net income	<u>9,434,738</u>
Member's equity at end of year	<u><u>\$ 18,545,659</u></u>

See accompanying notes to the financial statements.

**GCA ADVISORS, LLC**  
**Statement of Cash Flows**  
**Year ended December 31, 2016**

Cash flows from operating activities:	
Net income	\$ 9,434,738
Adjustments to reconcile net income to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Deferred tax assets	95,199
Accounts receivable	(645,973)
Due to affiliates, net	(772,104)
Prepaid expenses	(188,939)
Investment	114,796
Accounts payable	49,641
Accrued compensation	3,174,827
Deferred rent	(925,919)
Deferred revenue	(61,876)
Other accrued liabilities	1,006,779
Cash provided by operating activities	<u>11,281,169</u>
Cash flows from financing activities:	
Net distributions to member	<u>(3,910,303)</u>
Cash used in financing activities	<u>(3,910,303)</u>
Net Increase in cash and cash equivalents	7,370,866
Cash and cash equivalents at beginning of year	<u>20,127,981</u>
Cash and cash equivalents at end of year	<u>\$ 27,498,847</u>
Cash paid to GCA Savvian, Inc. during the year for:	
Income taxes	\$ 3,005,000

See accompanying notes to the financial statements.

## **GCA ADVISORS, LLC**

Notes to Financial Statements  
December 31, 2016

### **(1) Organization and Operations**

GCA Advisors, LLC (the Company), a Delaware limited liability company, is a wholly owned subsidiary of GCA Savvian, Inc., a Delaware corporation. GCA Savvian, Inc. is a wholly owned subsidiary of GCA Corporation (GCA Corp.), a Japanese company listed on the Tokyo Stock Exchange.

The Company is a broker-dealer registered with the U.S. Securities and Exchange Commission (SEC) and the Financial Industry Regulatory Authority (FINRA). The Company was originally licensed on November 24, 2003 as Perseus Advisors, LLC. In February 2006, the Company changed its business name to Savvian Advisors, LLC. In March 2008, the Company changed its business name to GCA Savvian Advisors, LLC. In August 2016 the Company changed its business name to GCA Advisors, LLC. The Company is engaged in the business of providing investment banking services to businesses on specific matters, mainly providing advisory services in mergers and acquisitions and other complex transactions. Other than the cross-border transactions described in Note 5, all of the Company's revenues are derived in the United States of America.

### **(2) Summary of Significant Accounting Policies**

#### ***(a) Use of Estimates and Assumptions***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) 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 expense during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include the determination of the fair value of securities received as compensation for services provided; the collectability of accounts receivable; the average period of customer arrangements over which non-refundable initial or one-time fees are recognized as revenue; the allocation of revenue between the Company and GCA Corp.; and the allocation of compensation benefits and other expenses incurred by GCA Savvian, LLC, a subsidiary of GCA Savvian, Inc. on behalf of the Company.

#### ***(b) Basis of Accounting***

The Company prepares its financial statements in conformity with U.S. GAAP.

## GCA ADVISORS, LLC

Notes to Financial Statements  
December 31, 2016

### **(c) Revenue Recognition**

Investment banking services are performed pursuant to engagement letters that specify the services to be provided and fees and reimbursements to be paid. Monthly Retainer Fees are recognized monthly as services are provided. Transactional Fees are recognized as revenue when the related transaction is completed and fees are earned. Fund placement fees are recognized as earned upon the acceptance by a fund of capital or capital commitments.

Initial or one-time retainer fees received at the start of an engagement are deferred upon receipt and recognized as revenue over the estimated average period the services are to be provided.

The Company recognizes direct reimbursements of client related expenses related to its investment banking services as a reduction in Other general and administrative expenses. Net direct expenses related to client reimbursable expenses of \$976,070 are included in the other general and administrative expense category on the Statement of Income.

For the year ended December 31, 2016, 11%, or \$7,000,000, of the revenue was from one client.

### **(d) Cash and Cash Equivalents**

Cash and cash equivalents include cash balances and investments that are readily convertible to cash with maturities of three months or less at the date of purchase.

The Company places its cash with a well established financial institution and, at times, balances may exceed federally insured limits. The Company has never experienced any losses related to these balances. As of December 31, 2016, \$27,532,880 of cash held at First Republic Bank was in excess of the FDIC limit of \$250,000.

The Company utilizes the guidance in ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820"). The Company's fair value measurements utilize quoted prices in active markets for all cash equivalents and, therefore, are valued at "Level 1" in the fair value hierarchy, as defined by ASC 820.

### **(e) Accounts Receivable and Allowance for Doubtful Accounts**

Accounts receivable are recorded at the invoiced amount, do not bear interest, and are recorded net of an allowance for doubtful accounts. Historically, the Company's credit losses have not been significant. Allowances for doubtful accounts are based on specifically identifying accounts that are past due that are deemed by management not likely to be collectible.

**GCA ADVISORS, LLC**  
Notes to Financial Statements  
December 31, 2016

**(f) *Fair Value of Financial Instruments***

The carrying amounts of cash and cash equivalents, accounts receivable, other receivables, accounts payable, accrued compensation and other accrued liabilities approximate the fair value of these financial instruments due to the short-term nature of the instruments.

ASC 820 established a three-tier fair value hierarchy, which prioritizes the inputs in measuring fair value. These tiers are as follows: Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than the quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as significant unobservable inputs (entity developed assumption) in which little or no market data exists.

**(g) *Income Taxes***

The Company is a single member LLC, which is treated as a disregarded entity for federal, state, and local income tax purposes. The Company's results of operations are included in the consolidated tax return of GCA Savvian, Inc. As the Company's results of operations provide the funding source for payment of GCA Savvian Inc.'s income taxes, the Company accounts for income taxes in its standalone financial statements, which will differ from the income taxes recognized by GCA Savvian, Inc.

The Company follows the provisions of FASB ASC 740, *Income Taxes*, as it relates to accounting for uncertain income taxes. FASB ASC 740 clarifies the accounting and disclosure for uncertain tax positions. The Company analyzed its tax filing positions in all of the federal, state and foreign tax jurisdictions in which GCA Savvian, Inc. is required to file income tax returns, as well as for all open tax years in these jurisdictions. As such, no liabilities for uncertain income tax positions were recorded as of December 31, 2016.

**(h) *Advertising and Promotion Costs***

The Company expenses advertising and promotion costs as incurred. Advertising and promotion costs were \$15,390 for the year ended December 31, 2016, and are included in marketing and business development expenses in the accompanying financial statements.

## GCA ADVISORS, LLC

Notes to Financial Statements  
December 31, 2016

### (3) Employee Benefit Plans

The Company has a 401(k) defined contribution plan for eligible employees. Under the plan, the Company may make discretionary profit sharing contributions to the plan. During 2016, the Company did not make any profit-sharing contributions to the plan.

### (4) Income Taxes

The provision for income taxes for the year ended December 31, 2016 is as follows:

	<u>Current</u>	<u>Deferred</u>	<u>Total</u>
Federal	\$ 5,165,129	\$ 120,609	\$ 5,285,738
State	1,025,368	(25,410)	999,958
	<u>\$ 6,190,497</u>	<u>\$ 95,199</u>	<u>\$ 6,285,696</u>

The provision for income taxes differs from the amount computed by applying the statutory federal rate primarily due to state and local taxes and non-deductible expenses.

The tax effects of temporary differences that give rise to the deferred tax assets as of December 31, 2016 are the California income taxes, accrued compensation, deferred rent, accrued vacation, capital loss, and exchange rate translation.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon future taxable income during the periods in which those temporary differences become deductible. Management considers the projected future taxable income and available tax planning strategies in making this assessment. Based upon the level of historical taxable income, projections for future taxable income over the periods in which the deferred tax assets are deductible, and available tax-planning strategies, management believes it is more likely than not that the Company will realize the benefits of these deductible differences. As of December 31, 2016, management has not recorded any valuation allowance on existing deferred tax assets.

GCA Savvian, Inc. files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. GCA Savvian Inc. is subject to U.S. federal and state income tax examinations by tax authorities for tax years from 2012.

The Company does not have any unrecognized tax benefits, or interest and penalties accrued on unrecognized tax benefits, at December 31, 2016. The Company's policy

## GCA ADVISORS, LLC

### Notes to Financial Statements December 31, 2016

is to recognize interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense.

#### **(5) Related Party Transactions**

The Company reimburses GCA Savvian, LLC for certain expenses paid on behalf of the Company in accordance with the terms of an Intercompany Services Agreement. Specifically, the Company recognized \$189,027 of other general and administrative expenses, \$3,733,591 of office and equipment lease expenses, and \$2,687,510 of compensation and benefits expenses in 2016 for costs incurred by GCA Savvian, LLC on behalf of the Company. In 2016, the Company incurred costs, which were initially paid by GCA Altium, a sister company and subsidiary of GCA Corp. The Company recognized \$26,903 of other general and administrative expenses in 2016 for costs incurred by GCA Altium on behalf of the Company.

The Company recorded \$6,285,696 of income tax provision. The amount represents the Company's income tax expense, if the Company incurred income tax expense on a standalone basis. The Company made cash distributions to GCA Savvian, Inc. to fund the payment of income taxes owed by GCA Savvian, Inc., which were less than the amount calculated by the Company on a standalone basis.

During 2016, the Company had net distributions to its parent company, GCA Savvian, Inc., of \$3,910,303. This amount is made up of cash distributions of \$10,100,000 and an offsetting amount of \$6,189,697 for current income tax expense related to the current income tax expense that the Company would incur on a standalone basis, which is treated as a capital contribution.

In addition, the Company and GCA Corp. have an agreement to reimburse certain expenses and fees paid on the other's behalf. The Company recognized \$552,883 of reimbursements from GCA Corp. in 2016 in other general and administrative expenses. The Company and GCA Corp. allocate revenue earned on cross-border transactions in accordance with its existing transfer pricing methodology. During 2016, the Company recognized \$4,066,053 of revenue from cross-border transactions initiated by GCA Corp. (included in investment banking and transaction fees on the accompanying Statement of Income), and allocated \$2,570,000 of revenue to GCA Corp. for cross-border transactions initiated by the Company (included under Expenses on the accompanying Statement of Income).

In addition, the Company and GCA Europe Limited, a sister company, have an agreement to reimburse certain expenses and fees paid on the other's behalf. The Company recognized \$65,517 of reimbursement from GCA Europe Limited in 2016 in other general and administrative expenses.

As of December 31, 2016, the Company had receivables from GCA Corp. of \$2,048,936 and from GCA Europe Limited of \$65,517. The Company had

## GCA ADVISORS, LLC

Notes to Financial Statements  
December 31, 2016

outstanding payables at December 31, 2016 of \$747,535 to GCA Savvian, LLC and \$26,903 to GCA Altium.

### (6) Commitments and Contingencies

#### (a) Leases

GCA Savvian, Inc. has entered into various lease agreements for office facilities and equipment and furniture used by the Company. The lease agreements expire on various dates through 2026. The Company incurred \$2,742,378 of office facility lease expense and \$1,121,583 of equipment and furniture and fixtures lease expense during 2016 consisting primarily of reimbursements to GCA Savvian, LLC under the Intercompany Services Agreement.

Future minimum payments under lease obligations for office facilities for years ending after December 31, 2016 are as follows:

<u>Year ending December 31.</u>	<u>Office facilities</u>
2017	\$ 3,141,997
2018	3,178,572
2019	3,215,878
2020	3,253,931
2021	3,364,987
Thereafter	<u>12,491,125</u>
	<u>\$ 28,646,490</u>

#### (b) Legal Matters

The Company is not aware of any material pending or threatened litigation as of December 31, 2016.

#### (c) Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule 15c3-1 (the Rule), which requires the maintenance of minimum net capital, as defined, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. As of December 31, 2016, the Company had net capital for regulatory purposes, as defined by SEC Uniform Net Capital Rule 15c3-1, of \$13,407,456, which was \$12,468,030 in excess of its net capital requirement of \$939,426. The Company's ratio of aggregate indebtedness to net capital was 1.1 to 1 as of December 31, 2016.

## **GCA ADVISORS, LLC**

Notes to Financial Statements  
December 31, 2016

The Company is exempt from Rule 15c3-3 under paragraph (k)(2)(i) of the Act relating to the determination of reserve requirements because it does not maintain customer accounts or take possession of customer securities.

### **(7) Subsequent Events**

The Company has evaluated subsequent events through February 24 , 2017, the date the accompanying financial statements were available to be issued, and has determined there are no matters requiring disclosure.

**SUPPLEMENTAL INFORMATION**

**Supplemental Schedule I**

**GCA ADVISORS, LLC**

**Computation of Net Capital Under Rule 15c3-1 of the  
Securities and Exchange Commission Act of 1934**

December 31, 2016

<b>Net capital:</b>	
Total member's equity	\$ 18,545,659
<b>Deductions and/or charges:</b>	
<b>Nonallowable assets:</b>	
Accounts receivable	(1,633,651)
Due from affiliates	(2,114,453)
Deferred tax asset	(872,217)
Prepaid expenses	(517,882)
Total deductions and/or charges	<u>(5,138,203)</u>
Net capital	<u>\$ 13,407,456</u>
<b>Aggregate indebtedness:</b>	
<b>Items included in statement of financial condition:</b>	
Accounts payable	\$ 409,079
Accrued compensation	10,443,870
Due to affiliates	774,438
Deferred revenue	582,916
Other accrued liabilities	1,881,088
Total aggregate indebtedness	<u>\$ 14,091,391</u>
<b>Computation of basic net capital requirement:</b>	
Net capital	\$ 13,407,456
Minimum net capital required (6 2/3% of aggregate indebtedness or \$100,000, whichever is greater)	<u>939,426</u>
Excess net capital	<u>\$ 12,468,030</u>
Ratio: Aggregate indebtedness to net capital	1.1 to 1
<b>Reconciliation with Company's computation (included in FOCUS report Part II (unaudited) of Form X-17A-5 as of December 31, 2016):</b>	
Net capital, as reported in Company's FOCUS report Part II (unaudited) of Form X-17A-5	\$ 12,468,029
Rounding differences	<u>1</u>
Net capital per above	<u>\$ 12,468,030</u>

See accompanying independent auditor's report.

**Supplement Schedule II**

**GCA Advisors, LLC**  
Computation for Determination of Reserve Requirements Under Rule 15c3-3  
(exemption)  
December 31, 2016

The Company did not handle any customer cash or securities during the year ended December 31, 2016 and does not have any customer accounts.

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**Supplemental Schedule III**

**GCA Advisors, LLC**  
Information Relating to Possession or Control Requirements Under Rule 15c3-3  
(exemption)  
December 31, 2016

The Company did not handle any customer cash or securities during the year ended December 31, 2016 and does not have any customer accounts.



**GCA ADVISORS, LLC**  
One Maritime Plaza | 25th Floor  
San Francisco CA 94111 | United States  
+1-415-318-3600 | [www.gcaglobal.com](http://www.gcaglobal.com)

February 21, 2017

### **SEA 15c3-3 Exemption Report**

I, Daniel H. Veatch, the Chief Financial Officer at GCA Advisors, LLC (the "Company"), do hereby certify at attest that, to the best of my knowledge and belief, the following representations are true and correct:

1. The Company claims the k(2)(i) exemption to SEA §240.15c3-3;
2. The Company met the identified exemption provisions in SEA §240.15c3-3(k) for the year ended December 31, 2016 without exception; and
3. There were no exceptions during the year ended December 31, 2016 in meeting the identified exemption provisions in SEA §240.15c3-3(k).

Respectfully submitted,

A handwritten signature in cursive script that reads "Daniel H. Veatch".

Daniel H. Veatch  
GCA Advisors, LLC



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Executive Committee  
of GCA Advisors, LLC

We have reviewed management's statements, included in the accompanying SEA 15c3-3 Exemption Report, in which (1) GCA Advisors, LLC (a Delaware limited liability company) (the Company) identified the following provision of the Securities Exchange Act of 1934 ("SEA") Rule 15c3-3(k) under which the Company claimed an exemption from Rule 15c3-3: (k)(2)(i) (the "exemption provision") and (2) the Company stated that the Company met the identified exemption provision throughout the most recent fiscal year ended December 31, 2016, without exception. The Company's management is responsible for compliance with the exemption provision 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.

**OUM & CO. LLP**

San Francisco, California  
February 24, 2017

**GCA ADVISORS, LLC**

**SCHEDULE OF ASSESSMENT AND PAYMENTS  
DECEMBER 31, 2016**

**(WITH INDEPENDENT AUDITOR'S REPORT ON  
APPLYING AGREED-UPON PROCEDURES)**



## INDEPENDENT ACCOUNTANT'S REPORT

Executive Committee of  
GCA Advisors, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by GCA Advisors, LLC (a Delaware limited liability company) (the "Company") and the Securities Investor Protection Corporation ("SIPC") with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of the Company for the year ended December 31, 2016, solely to assist you and the SIPC in evaluating the Company's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States) and the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries in the Company's general ledger and proof of payment. We noted no differences as a result of the procedures.
2. We compared the amounts reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2016, as applicable, with the amounts reported on Form SIPC-7 for the year ended December 31, 2016, noting the following differences:
  - Total Revenue as reported on the Annual Audit Report is \$65,045,189 (excluding loss on investment of \$19,229) compared to Total Revenue as reported on the Form SIPC-7 of \$65,266,969, a difference of \$221,780.
  - Net Operating Revenues as reported on the Annual Audit Report is \$65,045,189 compared to Net Operating Revenues as reported on the Form SIPC of \$65,064,418, a difference of \$19,229.
3. We compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, including general ledger system reports. We noted no differences as a result of the procedures.
4. We recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers, including general ledger system reports, supporting the adjustments. We noted no differences as a result of the procedures.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on the Company's compliance with the applicable instructions of the Form SIPC -7. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to and should not be used by anyone other than these specified parties.

**OUM & CO. LLP**

San Francisco, California  
February 24, 2017

**SIPC-7**

(33-REV 7/10)

**SECURITIES INVESTOR PROTECTION CORPORATION**

P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation**

For the fiscal year ended 12/31/2016  
(Read carefully the Instructions in your Working Copy before completing this Form)

**SIPC-7**

(33-REV 7/10)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

12\*12\*\*\*\*\*1208\*\*\*\*\*ALL FOR AADC 940  
66065 FINRA DEC  
GCA ADVISORS LLC  
1 MARITIME PLZ FL 25  
SAN FRANCISCO CA 94111-3515

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

- 2. A. General Assessment (item 2e from page 2) \$ 162,661
- B. Less payment made with SIPC-6 filed (exclude interest) ( 76,766 )  
7/25/16  
Date Paid
- C. Less prior overpayment applied ( \_\_\_\_\_ )
- D. Assessment balance due or (overpayment) \_\_\_\_\_
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 85,895
- G. PAYMENT:  the box  
Check mailed to P.O. Box  Funds Wired   
Total (must be same as F above) \$ 85,895
- H. Overpayment carried forward \$( \_\_\_\_\_ )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

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

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

GCA Advisors, LLC  
(Name of Corporation, Partnership or other organization)

Dominic H. Vetter  
(Authorized Signature)

Dated the 21<sup>st</sup> day of FEBRUARY, 2017.

CHIEF FINANCIAL OFFICER  
(Title)

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**

Dates:                      Postmarked                      Received                      Reviewed                     

Calculations                      Documentation                      Forward Copy                     

Exceptions:                     

Disposition of exceptions:

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning 1/1/2016  
and ending 12/31/2016

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

Eliminate cents  
\$ 65,266,969

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

19,229  
19,229

2c. Deductions:

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

*Gain on foreign exchange rate*

(Deductions in excess of \$100,000 require documentation)

221,780

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ \_\_\_\_\_

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ \_\_\_\_\_

Enter the greater of line (i) or (ii)

Total deductions

221,780

2d. SIPC Net Operating Revenues

\$ 65,064,418

2e. General Assessment @ .0025

\$ 162,661

(to page 1, line 2.A.)