



17009565

LL

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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden hours per response.....	12.00

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

SEC  
Mail Process  
Section

MAR 17 2017

SEC FILE NUMBER
8-35724

FACING PAGE

Washington DC

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, 2013 AND ENDING December 31, 2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: *Investment Architects Inc*

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**34 Petaluma Blvd North**

(No. and Street)		
<b>Petaluma</b>	<b>CA</b>	<b>94952</b>
(City)	(State)	(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
DAVID HADDOCK (707) 763-7881  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

(Name - If individual, state last, first, middle name)			
<b>2977 Ygnatio Valley Rd., ste 460</b>	<b>Walnut Creek</b>	<b>CA</b>	<b>94598</b>
(Address)	(City)	(State)	(Zip Code)

CHECK ONE:

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

Securities and Exchange

MAR 17 2017

<b>FOR OFFICIAL USE ONLY</b>	<b>RECEIVED</b>
------------------------------	-----------------

\*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 (08-02)

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.

RMS  
RS

OATH OR AFFIRMATION

I, ANTHONY DUCKWORTH, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of INVESTMENT ARCHITECTS 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:

NONE

sl

Anthony Duckworth 3/14/17  
Signature

EXECUTIVE VICE PRESIDENT  
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.
- (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).



## TABLE OF CONTENTS

	<u>Page No.</u>
<b>Report of Independent Registered Public Accounting Firm</b>	<b>1</b>
<b>Statement of Financial Condition</b>	<b>2</b>
<b>Statement of Operations</b>	<b>3</b>
<b>Statement of Changes in Shareholders' Equity</b>	<b>4</b>
<b>Statement of Cash Flows</b>	<b>5</b>
<b>Notes to Financial Statements</b>	<b>6-11</b>
<b>Supplementary Information</b>	
<b>Schedule I – Computation of Net Capital Under Rule 15c3-1</b>	<b>12</b>
<b>Reconciliation of Computation of Reserve Requirements</b>	<b>13</b>
<b>Report of Independent Registered Public Accounting Firm</b>	<b>14</b>
<b>Exemption Report pursuant to SEC Rule 17a-5</b>	<b>15</b>
<b>Independent Auditors' Report on Applying Agreed-Upon Procedures Related to an Entity's SIPC Assessment Reconciliation</b>	<b>16</b>
<b>SIPC General Assessment Reconciliation (SIPC – 7)</b>	<b>17-18</b>



1700 Ygnacio Valley Road, Ste 270  
Walnut Creek, CA 94598

(925) 932-4861 fax

2577 Ygnacio Valley Rd, PMB 460  
Walnut Creek, CA 94598

(925) 470-9830 fax

[www.cropperaccountancy.com](http://www.cropperaccountancy.com)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors  
of Investment Architects  
Petaluma, California

We have audited the accompanying statement of financial condition of Investment Architects as of December 31, 2016, and the related statements of operations, changes in shareholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of Investment Architects' 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 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 Investment Architects as of December 31, 2016, 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.

The Supplemental information contained in Schedule I has been subjected to audit procedures performed in conjunction with the audit of Investment Architects' financial statements. The supplemental information is the responsibility of Investment Architects' 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 17 C.F.R. §240.17a-5. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Cropper Accountancy Corporation*  
CROPPER ACCOUNTANCY CORPORATION  
Walnut Creek, California  
March 8, 2017

**INVESTMENT ARCHITECTS, INC.**  
**Statement of Financial Condition**  
**December 31, 2016**

---

**ASSETS**

Cash in bank	\$ 104,998
Deposits with clearing broker	25,015
Total cash	<u>130,013</u>
Investments	43,599
Commissions receivable	8,325
Rent Deposit	575
Property and Equipment, net of \$4,762	3,311
Prepaid expenses	24,679
Total assets	<u>\$ 210,502</u>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Liabilities:</b>	
Accounts payable	\$ -
Commissions payable	8,545
Accrued Pension Plan	4,647
Total liabilities	<u>13,192</u>

**SHAREHOLDERS' EQUITY**

<b>Shareholders' equity:</b>	
Common stock, no par value, 1,000 shares authorized 540 issued and outstanding	7,500
Retained earnings	<u>189,810</u>
Total shareholders' equity	<u>197,310</u>
Total liabilities and shareholders' equity	<u>\$ 210,502</u>

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

**INVESTMENT ARCHITECTS, INC.**  
**Statement of Operations**  
**For the Year Ended December 31, 2016**

---

<b>Revenue</b>	
Fees and commissions earned	\$ 1,750,189
Expense Reimbursement	20,373
Other Income	18,967
Change in unrealized gain on investment securities	<u>8,270</u>
<b>Total revenues</b>	<u><b>1,797,799</b></u>
<b>Expenses</b>	
Commissions	1,454,155
Compensation, payroll taxes and benefits	183,123
Communications	9,760
Depreciation	1,614
Financial technology services	53,565
Insurance	32,147
Office	753
Professional fees	10,724
Rent	16,723
Utilities	<u>2,656</u>
<b>Total expenses</b>	<u><b>1,765,220</b></u>
<b>Net loss before taxes</b>	<u><b>32,579</b></u>
<b>Income tax expense</b>	<u><b>2,383</b></u>
<b>Net loss</b>	<u><u><b>30,196</b></u></u>

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

**INVESTMENT ARCHITECTS, INC.**  
**Statement of Changes in Shareholders' Equity**  
**For the Year Ended December 31, 2016**

---

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, beginning of year	\$ 7,500	\$ 159,614	\$ 167,114
Net income	<u>-</u>	<u>30,196</u>	<u>30,196</u>
Balance, end of year	<u>\$ 7,500</u>	<u>\$ 189,810</u>	<u>\$ 197,310</u>

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

**INVESTMENT ARCHITECTS, INC.**  
**Statement of Cash Flows**  
**For the Year Ended**  
**For the Year Ended December 31, 2016**

---

<b>Cash flows from operating activities:</b>	
Net income	\$ 30,196
<i>Changes in operating assets and liabilities:</i>	
Depreciation Expense	1,614
Decrease in commissions receivable	34,907
Decrease in prepaid expenses	1,435
Decrease in commissions and accounts payable	(73,226)
Decrease in deferred revenue- sponsor fees	<u>(117,838)</u>
Net cash used by operating activities	<u>(122,912)</u>
 <b>Cash flows from investing activities:</b>	
Purchase of investments	<u>5,755</u>
Net cash provided by investing activities	<u>5,755</u>
 Net decrease in cash	 (117,157)
 Cash at beginning of year	 <u>222,155</u>
 Cash at end of year	 <u>\$ 104,998</u>

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

INVESTMENT ARCHITECTS INC  
Notes to Financial Statements  
December 31, 2016

---

**1. Description of Operation**

**Description of Business**

Investment Architects, Inc. (the "Company"), is registered as a broker and dealer in securities with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority (FINRA). The Company is an independently owned, full service broker dealer, whose representatives come from financial planning, insurance, and wire house backgrounds. The Company assists clients in investing in mutual funds, insurance products, stocks, bonds, managed accounts and other investment services. It does not hold customer funds or securities.

The Company has an agreement with its clearing broker to clear securities transactions, carry customers' accounts on a fully-disclosed basis and perform record keeping functions, and accordingly operates under the exemptive provisions of Security and Exchange Commission Rule 15c3-3(k)(2)(ii).

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements are prepared on the accrual basis of accounting wherein income is recognized as earned and expenses are recognized when incurred.

**Use of Estimates**

The preparation 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Cash and cash equivalents**

The Company considers all highly liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

The Company maintains cash in one bank account and one cash account held by its clearing broker.

**Investments**

Investments are carried at fair value. Fair values for securities which are freely tradable on a securities exchange or other active markets are determined by the last sales price on the last business day of the period.

INVESTMENT ARCHITECTS INC  
Notes to Financial Statements  
December 31, 2016

---

**2. Summary of Significant Accounting Policies (continued)**

**Investments (continued)**

Under generally accepted accounting principles, there is a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access. Valuation adjustments and block discounts are not applied to level 1 measurements. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgement.

Level 2 – Valuations based on one or more of the following: quoted prices in active markets for securities which are not identical to those being valued; quoted prices for securities in markets which are not active; inputs other than quoted prices that are observable for the asset or liability being valued, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

**Property and Equipment**

Property and equipment is stated at cost less accumulated depreciation and amortization. Depreciation is computed on a straight-line basis over the estimated useful lives (5-7 yrs) of related assets.

Machines and equipment	8,072
Less: Accumulated depreciation	<u>( 4,762)</u>
Net property and equipment	<u>\$ 3,311</u>

Depreciation for the year ended December 31, 2016 was \$1,614.

INVESTMENT ARCHITECTS INC  
Notes to Financial Statements  
December 31, 2016

---

**2. Summary of Significant Accounting Policies (continued)**

**Commissions**

Commissions and related clearing expenses are recorded on a trade date basis as securities transactions occur.

**Income taxes**

Generally accepted accounting principles require that management determine whether a tax position of the Company is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position.

Income taxes are provided for the tax effect of transactions reported in the financial statements and consist of taxes currently due and deferred tax related to unrealized gains on investments. The deferred tax liability represents the future tax return consequences of those differences.

The tax benefit to be recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement with the relevant taxing authority. De-recognition of a tax benefit previously recognized results in the Company recording a tax liability that reduces ending shareholder's equity. Based on its analysis, the Company's management has determined that it has not incurred any material tax liability or tax assets as of December 31, 2016.

Currently, the tax years ended December 31, 2013 – 2016 are open and subject to examination by the Internal Revenue Service and the State of California. However, the Company is not currently under audit nor has the Company been contacted by any of these jurisdictions.

**Subsequent Events**

Management has evaluated subsequent events through March 8, 2017 the date the financial statements were available to be issued and has determined that there are no subsequent events which occurred that require recognition or additional disclosure in these financial statements.

**3. Deposits with Clearing Broker and Off-Balance Sheet Risk**

The Company has a brokerage agreement with Wedbush Morgan Securities under which Wedbush Morgan Securities acts as a clearing broker for the Company. The Company introduces all of its customers' securities transactions to its clearing broker, on a fully disclosed basis. All of the customers' money balances and long and short security positions are carried on the books of the clearing broker. In accordance with the clearing agreement, the Company is obligated for any losses the clearing broker may sustain from carrying securities transactions introduced by the Company. In accordance with industry practice and regulatory requirements, the Company and the clearing broker monitor collateral on the customers' accounts introduced by the Company.

**INVESTMENT ARCHITECTS INC**  
**Notes to Financial Statements**  
**December 31, 2016**

---

**3. Deposits with Clearing Broker and Off-Balance Sheet Risk-(continued)**

The clearing broker carries separate cash and securities accounts for the Company. These accounts serve as collateral for any amounts due to the clearing broker, as well as collateral for securities sold short or securities purchased on margin.

**4. Occupancy**

The Company has leased its facilities on a month-to-month basis payable at a rate of \$1,460 per month. Beginning in October 2016, Resource Investment Architects, an affiliated company, paid the rent directly to the property management company. The Company's rent expense for the year ended December 31, 2016 was \$16,723, which included \$3,583 for storage space.

**5. Risk Concentrations**

The Company maintains its cash in bank accounts which, at times, may exceed federally insured limits. Cash accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Deposits with brokers are not covered by FDIC insurance.

**6. Related Party Transactions**

The shareholders of the Company and a person related to one of the shareholders received commissions during 2016 amounting to \$14,373. The Company participates in retirement plans together with Resource Investment Architects, Inc., as explained in Note 7.

**7. Defined Contribution Retirement Plan**

In 2014 the Company adopted a defined contribution retirement plan ("the 401(k) Plan") together with its affiliate Resource Investment Architects, Inc. Eligible employees can elect to have a portion of their salary withheld and contributed to the 401(k) Plan. The Company may make a contribution to the 401(k) Plan each year at the discretion of the Board of Directors. The Company's contribution to the 401(k) Plan for 2016 was \$ 4,647 all of which was payable at December 31, 2016.

**Defined Benefit Pension Plan**

In 2014 the Company adopted a defined benefit pension plan ("the DB Plan") together with its affiliate Resource Investment Architects, Inc. The DB Plan covered all employees meeting eligibility service requirements. Due to the complexities of such a plan, in 2016 the Company's management decided to close the plan. There was no liability as of December 31, 2016.

INVESTMENT ARCHITECTS INC  
Notes to Financial Statements  
December 31, 2016

---

**8. Fair Value Measurements**

The Company's assets recorded at fair value have been categorized based upon a fair value hierarchy as discussed in Note 2. The following table presents information about the Company's assets measured at fair value, as summarized below.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2016
Investment in Securities	<u>\$ 43,599</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,599</u>

**9. Net Capital Requirements**

As a registered broker and dealer in securities, the Company is subject to the Securities Exchange Commission Uniform Net Capital Rule (Rule 15c3-1).

The Company's ratio of aggregate indebtedness to net capital as defined in the Uniform Net Capital Rule was approximately .081 to 1 at December 31, 2016. Aggregate indebtedness and net capital change from day to day. The Company is required to maintain a ratio of less than 15 to 1.

At December 31, 2016, the Company had net capital as defined of \$162,205, which exceeded the minimum requirement of \$5,000. The Company must maintain a minimum net capital of 120% of the minimum required capital to avoid interim reporting requirements.

**10. Contingency**

The Company's former workers compensation insurer has presented assessments for additional premiums of approximately \$32,000 for 2010 and 2011. Interest on this amount has accrued and the balance has increased to approximately \$32,000 at December 31, 2016. The assessments are based on the issuer's contention that the Company's representative brokers, currently compensated by the Company as independent contractors, should be classified as employees for purposes of workers compensation insurance. Management believes that there is substantial support for treating the brokers as independent contractors, and has contested the insurer's assessment. Management expects that the matter will be resolved without material effect on the Company's financial position.

**INVESTMENT ARCHITECTS INC**  
**Notes to Financial Statements**  
**December 31, 2016**

---

**11. Income Taxes**

The Company has not recognized a current tax expense since the Company posted a profit for the year ended December 31, 2016 of \$30,196, as well as the change in unrealized gains on investments of \$8,270 not being recognized for tax purposes.

The Company has a loss carry forward of \$67,928 from the prior year which offsets the current year's profit. The computation of deferred tax is immaterial.

**SUPPLEMENTARY INFORMATION**

**INVESTMENT ARCHITECTS INC**  
**Supplemental Schedules Required by Rule 17a-5**  
**As of and for the year ended December 31, 2016**

**SCHEDULE I**

**Computation of Net Capital**  
**Pursuant to Rule 15c3-1**  
**December 31, 2016**

**Computation of Net Capital**

Shareholder's Equity		\$ 197,310
Non-Allowable Assets		
Rent deposit	\$ 575	
Fixed assets	3,311	
Prepaid Expenses	<u>24,679</u>	
Total Non-Allowable Assets		<u>\$ 28,565</u>
Net Allowable Capital		\$ 168,745
Haircuts	<u>\$ 6,540</u>	
Undue concentration		
Net Capital		<u>\$ 162,205</u>

**Computation of Net Capital Requirement**

Minimum Net Capital Required as a Percentage of Aggregate Indebtedness	\$ 880
Minimum Dollar Net capital Requirement of Reporting Broker-Dealer	5,000
Net Capital Requirement	5,000
Excess Net Capital	\$ 157,205

**Computation of Aggregate Indebtedness**

Total Aggregate Indebtedness	\$ 13,192
Percentage of Aggregate Indebtedness to Net Capital	8.1%

**Computation of Reconciliation of Net Capital**

Net Capital Computed on FOCUS IIA as of December 31, 2016	\$ 141,402
Focus Report correction	- 784
Balance Sheet adjustment	<u>21,587</u>
Net Capital per Audit	\$ 162,205
Reconciled Difference	

**INVESTMENT ARCHITECTS INC**  
**Supplemental Schedules Required by Rule 17a-5**  
**As of and for the year ended December 31, 2016**

**Reconciliation of Computation of Reserve**  
**Requirements Pursuant to Rule 15c3-3**

The Company claims an exemption under Rule 15c3-3(k)(2)(ii) and therefore is not subject to the reserve requirements of Rule 15c3-3.

**Statement of Changes in Liabilities Subordinated**  
**to the Claims of General Creditors**

<b>Balance of such claims at January 1, 2016</b>	<b>\$ -</b>
<b>Additions</b>	<b>-</b>
<b>Reductions</b>	<b>-</b>
<b>Balance of such claims at December 31, 2016</b>	<b>\$ -</b>



2700 Ygnacio Valley Road, Ste 270  
Walnut Creek, CA 94598

(925) 932-0800 fax

2507 Ygnacio Valley Rd. PMB 450  
Walnut Creek, CA 94598

(925) 476-0830 fax

[www.cropperaccountancy.com](http://www.cropperaccountancy.com)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors  
of Investment Architects  
Petaluma, California

We have reviewed management's statements, included in the accompanying Exemption Report Pursuant to SEC Rule 17A-5, in which (1) Investment Architects identified the following provisions of 17 C.F.R. §15c3-3(k) under which Investment Architects claimed an exemption from 17 C.F.R. §240.15c3-3: (2)(ii) (the "exemption provisions") and (2) Investment Architects stated that Investment Architects met the identified exemption provisions throughout the most recent fiscal year without exception. Investment Architects' management is responsible for compliance with the exemption provisions 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 Investment Architects' 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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*Cropper Accountancy Corporation*

CROPPER ACCOUNTANCY CORPORATION  
Walnut Creek, California  
March 8, 2017



INVESTMENT CONSULTANTS

INVESTMENT ARCHITECTS, INC.

34 PETALUMA BLVD. NORTH  
PETALUMA, CA 94952-3002

MEMBER NASD/SIPC

TEL (707) 763-7861  
FAX (707) 763-8005

INVESTMENT ARCHITECTS, INC.

**EXEMPTION REPORT PURSUANT TO RULE 15c3-3  
OF THE SECURITIES AND EXCHANGE COMMISSION**

**DECEMBER 31, 2016**

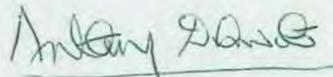
Investment Architects, Inc. operates pursuant to paragraph (k)(2)(ii) of SEC Rule 15c3-3 which the Company claims an exemption from SEC Rule 15c3-3. The Company is exempt from the reserve requirements of Rule 15c3-3 as its transactions are limited, such that it does not handle customer funds or securities. Accordingly, the computation for determination of reserve requirements pursuant to Rule 15c3-3 and information relating to the possession or control requirement pursuant to Rule 15c3-3 are not applicable.

The Company has met the identified exemption provisions throughout the year ended December 31, 2016 without exemption.

Signature: \_\_\_\_\_

  
David Haddock, President

SIGNED

 3/14/17

ANTHONY DUCKWORTH

EXECUTIVE VICE PRESIDENT





2700 Ygnacio Valley Road, Ste 270  
Walnut Creek, CA 94598

(925) 934-3860 W

2877 Ygnacio Valley Rd, PMB 800  
Walnut Creek, CA 94598

(925) 478-9930 E&R

[www.cropperaccountancy.com](http://www.cropperaccountancy.com)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors  
of Investment Architects  
Petaluma, California

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 with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2016, which were agreed to by Investment Architects and the Securities and Exchange Commission, financial Industry Regulatory Authority, Inc., SIPC, and other designated examining authorities, solely to assist you and the other specified parties in evaluating Investment Architects' compliance with the applicable instructions of Form SIPC-7. Investment Architects' management is responsible for Investment Architects' 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). The sufficiency of these procedures is solely the responsibility of those parties specified 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. The procedures we performed and our findings are as follows:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
- 2) Compared the amounts reported on the audited Form X-17A-5 (FOCUS Report) for the year ended December 31, 2016 with the amounts reported in Form SIPC-7 for that period, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. 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 be and should not be used by anyone other than these specified parties.

*Cropper Accountancy Corporation*

CROPPER ACCOUNTANCY CORPORATION

Walnut Creek, California

March 8, 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**

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended 2016

(Read carefully the instructions in your Working Copy before completing this Form)

**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:

Investment Architects, Inc.  
34 Petaluma Blvd. North  
Petaluma, CA 94952  
(707) 763-7861

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.

WORKING COPY

- 2. A. General Assessment (item 2e from page 2) \$ 690.41
- B. Less payment made with SIPC-6 filed (exclude interest) ( 350.22 )  
8/4/16  
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) \$ 340.18
- G. PAYMENT:  the box  
Check mailed to P.O. Box  Funds Wired   
Total (must be same as F above) \$ \_\_\_\_\_
- 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.

INVESTMENT ARCHITECTS, INC.  
(Name of Corporation, Partnership or other organization)  
Anthony Harris  
(Authorized Signature)  
EXECUTIVE VICE PRESIDENT  
(Title)

Dated the 14 day of MARCH, 2017.

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

Eliminate cents

Item No.

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

\$ 1,797,799

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

0

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):

1,521,635

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

(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

2d. SIPC Net Operating Revenues

\$ 276,164

2e. General Assessment @ .0025

\$ 690.41

(to page 1, line 2.A.)