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

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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 01/01/17 AND ENDING 12/31/17
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **TPG Capital BD, LLC**

OFFICIAL USE ONLY
FIRM I.D. NO.

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

301 Commerce Street, Suite 3300

(No. and Street)

Fort Worth

TX

76102

(City)

(State)

(Zip Code)

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

Martin Davidson

(817) 871-4019

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Deloitte & Touche LLP

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

201 Main Street, Suite 1501

Fort Worth

TX

76102

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

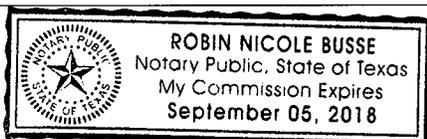
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

BW

OATH OR AFFIRMATION

I, Martin Davidson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of TPG Capital BD, LLC, as of December 31, 20 17, 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:



A handwritten signature in black ink, appearing to be "M. Davidson", written over a horizontal line.

Signature

Financial Operations Principal

Title

Robin Nicole Busse
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).

TPG Capital BD, LLC

**Financial Statement
(with Report of Independent
Registered Public
Accounting Firm)
December 31, 2017**

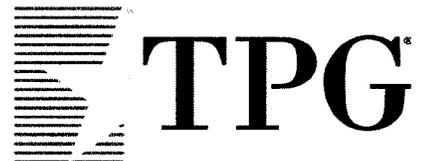


Table of Contents

Report of Independent Registered Public Accounting Firm	Page 1
Statement of Financial Condition	Page 2
Notes to Financial Statement	Page 3



Deloitte & Touche LLP
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Fort Worth, Texas 76102-3119
USA
Tel: +1 817 347 3300
www.deloitte.com

Report of Independent Registered Public Accounting Firm

To the Member of TPG Capital BD, LLC:

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of TPG Capital BD, LLC (the "Company") as of December 31, 2017, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit of the financial statement provides a reasonable basis for our opinion.

Deloitte & Touche LLP

February 23, 2018

We have served as the Company's auditor since 2015.

TPG Capital BD, LLC
Statement of Financial Condition

	<u>December 31, 2017</u>
ASSETS	
Cash	\$ 4,693,998
Accounts receivable	581,428
Due from affiliate	11,809
Other assets	96,291
Total assets	<u>\$ 5,383,526</u>
 LIABILITIES AND MEMBER'S EQUITY	
Liabilities	
Due to affiliates	\$ 820,233
Income taxes payable	11,991
Other accrued liabilities	41,689
Total liabilities	<u>873,913</u>
 Member's equity	 4,509,613
Total liabilities and member's equity	<u>\$ 5,383,526</u>

See accompanying notes to financial statement

(1) **Organization and Business Description**

TPG Capital BD, LLC (the "Company") is a Texas limited liability company organized on March 21, 2007 and is 100% owned by TPG BD Advisors, LLC. ("Parent" or "Member"). The Member's liability for the debts of the Company or any of its losses is limited to the amount of the Member's capital contributions. The Company is a broker-dealer registered with the U.S. Securities and Exchange Commission ("SEC") and a member of the Financial Industry Regulatory Authority ("FINRA").

The Company engages in the underwriting and private placements of securities. The securities that the Company offers consist of investment fund securities issued by certain private equity funds and other funds that the Company's Parent and affiliates manage individually or through their principals. The Company also acts as a co-manager on syndicate offerings and as an arranger for arrangements related to affiliates of the Parent.

The Company is exempt from SEC Rule 15c3-3 pursuant to subsection (k)(2)(i). Accordingly, the *Computation for Determination of Reserve Requirements and Information Relating to the Possession or Control Requirements* are not required.

(2) **Significant Accounting Policies**

Basis of Accounting

The accompanying financial statements have been presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Amounts reflected in these financial statements are in U.S. dollars.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash includes cash on deposit with a bank. The Company maintains its cash accounts with a highly rated commercial bank. At times, cash balances may exceed the Federal Deposit Insurance Corporation coverage limit of \$250,000.

Fair Value of Financial Assets and Liabilities

The Company's financial assets and liabilities are carried at fair value or amounts approximating fair value. The Company's financial assets and liabilities include cash, accounts receivable, due from affiliate, other assets, due to affiliates, income taxes payable and other accrued liabilities. The carrying values of these assets and liabilities approximate fair value due to their short term nature.

Accounts Receivable

The need for an allowance for doubtful accounts is based on a review of individual accounts. Historically, the Company has not experienced material losses due to uncollectible receivables and did not carry an allowance for doubtful accounts as of December 31, 2017.

Revenue Recognition

The Company recognizes revenue as follows:

Private Placement Service Fees from Affiliates

Private placement service fees from Affiliates represent advisory fees in accordance with the private placement services agreement (the "Affiliate Agreement") with TPG Global, LLC ("Global"), and are recognized as earned. The Affiliate Agreement is an arrangement, which provides for private placement service fee income based on expenses incurred by the Company related to placement services provided to affiliates, including income tax expense, during any financial statement period as agreed to by Global and the Company.

Underwriting Fees from Affiliates

Underwriting fees from affiliates are recorded at the time the underwriting is completed and the income is reasonably determinable. Underwriting revenues are presented net of related expenses. The Company is not the lead manager on underwriting transactions, so management must estimate the Company's share of transaction-related expenses incurred by the lead manager in order to recognize revenue. Transaction-related expenses are deducted from the underwriting fee and therefore reduce the revenue the Company recognizes as co-manager. Such amounts are adjusted to reflect actual expenses in the period in which the Company receives the final settlement, typically within 90 days following the close of the transaction.

Private Placement Service Fees

Private placement service fees represent advisory fees in accordance with private placement services agreements (the "Agreements") with third parties with which the Company contracts. Generally, the payment terms of the Agreements are payments received in installments over two to four years and revenue is recognized when virtually certain; that is when revenue is deemed earned and collectable. In certain situations, the Company may receive equity securities and partner or member interest as part of its fee. Such securities are recorded as revenue when received. When appropriate, revenue is recorded at the net present value of future cash flows using the effective interest method in accordance with Accounting Standards Codification ("ASC") 605, "Revenue Recognition"

Income Taxes

The Company is a disregarded entity for federal income tax purposes that is not treated as separate from the Member, which is treated as a Partnership for U.S. income tax purposes. As such, no federal income taxes have been provided for by the Company in the accompanying financial statements as the Member is individually responsible for reporting income or loss based upon its share of the Company's income and expenses as reported for income tax purposes.

The Company applies the provisions of ASC 740, "Income Taxes", which clarifies the accounting and disclosure for uncertainty in tax positions. The Company analyzed its tax filing positions in the federal, state, and foreign tax jurisdictions where it is required to file income tax returns for all open tax years. Based on this review, no liabilities for uncertain income tax positions were required to be recorded pursuant to ASC 740, "Income Taxes".

The Company recognizes accrued interest and penalties related to uncertain tax positions in income

tax expense in the statements of operations, which is consistent with the recognition of these items in prior reporting periods. As of December 31, 2017, the Company did not have a liability recorded for payment of interest and penalties associated with uncertain tax positions.

The Company's income and expense has been included in the tax returns of the Member as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Member is subject to examination by federal and certain state and local tax regulators. The Company does not believe that it has any tax positions for which it is reasonably possible that it will be required to record significant amounts of unrecognized tax benefits within the next twelve months.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, "Revenue from Contracts with Customers" ("ASU 2014-09"). ASU 2014-09 requires a company to recognize revenue in an amount that reflects the consideration to which the entity expects to be entitled in exchange for services provided. The amendment requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenues and cash flows from contracts with customers. The amendments in this update are effective prospectively during interim and annual periods beginning after December 15, 2017. The Company has assessed the impact of adopting ASU 2014-09 and does not believe adoption will have a material impact on its financial statements.

(3) Net Capital Requirements

As a registered broker-dealer, the Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 12 to 1.

The Company has elected to use the alternative method, permitted by Rule 15c3-1, which requires that the Company maintain minimum net capital, as defined, equal to the greater of \$100,000 or 6 2/3% of aggregate debit balances, as defined. As of December 31, 2017, the Company had net capital of \$4,412,940 which was \$4,312,940 in excess of its required net capital of \$100,000. As of December 31, 2017, the Company's ratio of aggregate indebtedness to net capital was 0.06 to 1.

(4) Related Party Transactions

Subordinated Revolving Credit Facilities

In August 2014, the Company entered into two \$15,000,000 million subordinated revolving credit facilities ("Credit Facilities"), for a total commitment of \$30,000,000, with Citibank, N.A and JPMorgan Chase Bank, N.A. The Credit Facilities are available for direct borrowings and are guaranteed by related parties of the Company. The Credit Facilities matured in August 2017, at which time they were renewed through August 2018. The interest rate is calculated as the LIBOR rate at the time of borrowing plus 2.25%. During the year ended December 31, 2017, the Company made borrowings of \$11,000,000 and repayments of \$11,000,000 on the Credit Facilities. There was no balance outstanding on the Credit Facilities as of December 31, 2017.

Administrative Service Agreements

The Company has administrative services agreements with two related parties; Global and TPG Brooklands Management, LLC ("Brooklands").

Global provides general administrative services to the Company including accounts payable processing and payment.

Brooklands provides transaction support, referrals, accounting, legal, tax, compliance and related services to the Company, as needed, in exchange for a percentage of revenues supported by such services.

Due to affiliates

Amounts due to affiliates represent accrued expenses due to Global and Brooklands under the Company's administrative service agreements with those related parties.

Revenue from Related Parties

During the year ended December 31, 2017 the Company acted as a co-manager on placement engagements and syndications that involved debt, equity or other offerings related to affiliates of the Parent and received fees in connection with these offerings.

Transfer of Contract

During the second quarter of 2017, the Company transferred, without consideration, to an affiliated broker dealer, Brooklands Capital Strategies BD, LP, certain of its outstanding engagement contracts related to the provision of third party placement services.

(5) Commitments and Contingencies

In the normal course of business, the Company is subject to litigation, examinations, inquiries and investigations by various regulatory agencies. The Company is also subject to examinations by Federal and various State and local tax authorities. Such legal actions, examinations, inquiries and investigations may result in the commencement of civil or criminal lawsuits against the Company or its personnel. As of December 31, 2017, there are no actions or investigations pending, other than in the normal course of business, that are expected to have a material impact on the Company's condition or financial statements.

(6) Subsequent Events

Management has evaluated subsequent events through February 23, 2018, the date the financial statements were available to be issued, and has determined there were no subsequent events that would require recognition or disclosure in the Company's financial statements.