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

SEC FILE NUMBER
8-65251

FEB 20 2018

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

Washington, DC
415

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: **Geoffrey Richards Securities Corp.**

OFFICIAL USE ONLY
FIRM I.D. NO.

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

7570 S Federal Hwy Suite 1

(No. and Street)

HYPOLEXO

FL

33462

(City)

(State)

(Zip Code)

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

Geoffrey D. Liddy

561-586-0800

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Baum & Compnay, P.A.

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

407 Lincoln Road, Suite 12B

Miami Beach

FL

33139

(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)

DM

OATH OR AFFIRMATION

I, Geoffrey D. Liddy, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Geoffrey Richards Securities Corp. of December 31, 2017, 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:



Signature

Principal

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).

GEOFFREY RICHARDS SECURITIES CORP.

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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BAUM & COMPANY, P.A.
Certified Public Accountants
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
Geoffrey Richards Securities Corp.
Hypoluxo, Florida

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Geoffrey Richards Securities Corp. as of December 31, 2017, the related statements of income, changes in shareholder's equity, changes in liabilities subordinated to claims of general creditors, and cash flows for the year then ended, and the related notes schedules (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Geoffrey Richards Securities Corp. as of December 31, 2017, 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.

Basis for Opinion

These financial statements are the responsibility of Geoffrey Richards Securities Corp.'s management. Our responsibility is to express an opinion on Geoffrey Richards Securities Corp.'s financial statements 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 Geoffrey Richards Securities Corp. 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 statements are 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 statements, 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 statements. 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 statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The Schedule I – Statement of computation of net capital requirements, Schedule II – Statement of computation of basic capital requirements, Schedule III – Reconciliation of net capital, Schedule IV – Computation of aggregate indebtedness, has been subjected to audit procedures performed in conjunction with the audit of Geoffrey Richards Securities Corp.'s financial statements. The supplemental information is the responsibility of Geoffrey Richards Securities Corp.'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 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.

We have served as Geoffrey Richards Securities Corp.'s auditor since 2002

Baum & Company, P.A.

Miami Beach, Florida

February 9, 2018

Baum & Company PA

GEOFFREY RICHARDS SECURITIES CORP.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2017

ASSETS

Cash in bank and cash equivalents	\$169,638
Commissions Receivable	7,784
Other Assets - Clearing agent deposit	<u>50,000</u>
Total assets	\$ <u>227,422</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:	
Accounts payable and accrued expenses	\$ <u>3,473</u>
Stockholders' equity	
Common stock, par value \$.01; 10,000 shares authorized, 3,050 shares issued and outstanding	31
Additional paid-in-capital	238,296
Accumulated deficit	<u>(14,378)</u>
Total stockholders' equity	<u>223,949</u>
Total liabilities and stockholders' equity	\$ <u>227,422</u>

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

GEOFFREY RICHARDS SECURITIES CORP.
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2017

Revenues:

Commissions	167,545
Gains on firm trading accounts	(14)
Gains on firm investment accounts	136,233
Other Revenue	<u>19,998</u>
Total Revenues	<u>323,762</u>

Operating expenses:

Clearing charges	63,867
Occupancy expense	14,265
Professional fees	4,100
Regulatory fees and costs	7,588
General & administrative expenses	<u>34,955</u>
Total operating expenses	<u>124,775</u>

Net Income before provision for income taxes 198,987

Provision for income taxes - 0 -

Net Income \$198,987

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

**GEOFFREY RICHARDS SECURITIES CORP.
STATEMENTS OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2017**

Cash Flows from Operating Activities:

Net Income	\$ 198,987
Adjustment to reconcile net income to net cash provided by operating activities:	
Decrease in commission receivable	2,183
Increase in accounts payable and accrued expenses	<u>2,505</u>
	<u>4,688</u>
Net Cash provided by Operating Activities	\$ 203,675
Cash Flows from Financing Activities	
Distributions to stockholders	\$ 142,135
Total cash flows used for financing activities	\$ <u>142,135</u>
Net increase in cash	\$ 61,540
Cash and Cash Equivalents - beginning	\$ <u>108,098</u>
Cash and Cash Equivalents - ending	\$ <u>169,638</u>

Supplemental cash flows disclosures:

Income taxes paid	\$ - 0 -
Interest paid	<u>\$ - 0 -</u>

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

**GEOFFREY RICHARDS SECURITIES CORP.
STATEMENT OF CHANGES IN STOCKHOLDERS EQUITY**

	<u>Common Stock</u>	<u>Additional Paid In Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance - 12/31/16	\$ 31	\$ 238,296	\$ (71,230)	\$ 167,097
Net Income	- 0 -	- 0 -	198,987	198,987
Distributions to Stockholders	<u>- 0 -</u>	<u>- 0 -</u>	<u>(142,135)</u>	<u>(142,135)</u>
Balance - 12/31/17	<u>\$ 31</u>	<u>\$ 238,296</u>	<u>\$ (14,378)</u>	<u>\$ 223,949</u>

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

GEOFFREY RICHARDS SECURITIES CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A.) **Nature of Business**

The Company was incorporated on February 5, 2002 in the State of Florida. The Company has registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority (FINRA) as a non-carrying dealer.

B.) **Cash Equivalents**

For purposes of reporting cash flows, cash and cash equivalents include money market accounts, certificates of deposits and any highly liquid debt instruments purchased with a maturity of six months or less.

C.) **Income Taxes**

The Company has made an election to be treated as an S Corporation under the Federal Income tax laws. Accordingly, the income of the Company is taxed directly to its stockholders. Therefore, no provision for income taxes has been made in the financial statements.

D.) **Management Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at December 31, 2017 and revenues and expenses for the year then ended. The actual outcome of the estimates could differ from the estimates made in the preparation of the financial statements.

F.) **Marketable Investments**

The Company reflects its marketable investments at market in accordance with ASC 820. For the year ended December 31, 2017, the net realized gains amounted to \$ 136,219.

G.) **Revenue Recognition**

Commissions and related clearing expenses are recorded on a trade-date basis as securities transactions occur and are posted to Company's ledgers monthly when the clearing broker remit their monthly statements.

GEOFFREY RICHARDS SECURITIES CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Recent Accounting Pronouncements

The Company upon review of recently issued accounting pronouncements to have a significant impact on the Company's result of operations, financial position or cash flows for the year ended December 31, 2017.

In July 2013, the SEC issued Release No. 34-70073, Broker-Dealer Reports, and Release No. 34-70072, Financial Responsibility Rules for Brokers-Dealers, which amended the broker-dealer reporting rules under the Securities Exchange Act of 1934. The Company has enacted the provisions applicable to their operations.

The Dodd-Frank Act amended SOX to give the PCAOB full oversight authority over audits of all broker-dealers including non-issuers, which includes standard setting, inspection, and enforcement. Additionally, this provision requires that all audits, for periods ending on or after June 1, 2014, be performed in accordance with standards issued by the PCAOB.

NOTE 2 **NET CAPITAL REQUIREMENT**

FINRA imposes certain restrictions on the Company, the most significant of which are to maintain a minimum net capital of \$100,000 and aggregate indebtedness, as defined, which does not exceed fifteen times net capital.

NOTE 3 **SECURITIES AND EXCHANGE REQUIREMENTS**

The statement of changes in liabilities subordinated to claims of general creditors has been omitted as the Company has no such liabilities.

NOTE 4 **COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS FOR BROKERS AND DEALERS PURSUANT TO RULE 15c3-3**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) of that Rule.

GEOFFREY RICHARDS SECURITIES CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 5 **COMMITMENTS**

The Company executed a one-year lease, with (2) one-year renewal options, commencing on October 1, 2015. The annual rent incurred for the year 2017 was \$ 14,264.58, \$ 1,174.83 per month January through October and \$1,258.14 November and December. For the year 2018, the rent expense may remain at \$1,258.14 through October and increase to \$1,321 per month thereafter.

NOTE 6 **CLEARING BROKER AGREEMENT**

The Company acts an introducing broker through a clearing arrangement with a clearing broker-dealer on a fully disclosed basis. The clearing broker-dealer provides clearing services, handles funds of the Company's customers, holds securities and remits account statements to the customers. There has been no changes to the agreement since its commencement. Pursuant to the clearing agreement with the clearing broker-dealer, a deposit of \$ 50,000 is being held in an interest bearing account as of December 31, 2017 to offset unsecured customer debits.

NOTE 7 **RELATED PARTIES**

The officers/stockholders pursuant to informal employment agreements receive compensation in the form of salary and various personal expenditures paid by the Company. In the year 2017, the officers/stockholders received cash distributions of \$142,135. For year ending 2017, the officers received no salaries.

NOTE 8 **CONCENTRATION OF RISK**

The Company is engaged in various trading and brokerage activities as an introducing broker-dealer. In the event that certain counterparties do not fulfill their obligations, the Company may be exposed to risk.

GEOFFREY RICHARDS SECURITIES CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 **REGULATORY MATTERS AND CONTINGENCIES**

Since receipt of FINRA's disposition letter on June 27, 2016 relating to cycle examination 20160475662, the firm has not had any issues relating to regulatory matters and contingencies.

NOTE 10 **FAIR MARKET VALUE OF FINANCIAL INSTRUMENTS**

The Company measures assets and liabilities at fair value based on an expected exit price which represents the amount that would be received on the sale of an asset or paid to transfer a liability, as the case may be, in an orderly transaction between market participants. As such, fair value may be based on assumptions that market participants would use in pricing an asset or liability. The authoritative guidance on fair value measurements establishes a consistent framework for measuring fair value on either a recurring or nonrecurring basis whereby inputs, used in valuation techniques, are assigned a hierarchical level.

The following are the hierarchical levels of inputs to measure fair value:

Level 1: Observable inputs that reflect prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs reflect quoted prices for identical assets or liabilities in markets that are not active; quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the assets or liabilities; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Unobservable inputs reflecting the Company's assumptions incorporated in valuation techniques used to determine fair value. These assumptions are required to be consistent with market participant assumptions that are reasonably available. The Company's financial instruments consisted primarily of accounts payable, accrued liabilities, amounts due to related parties, and debt. The Company's debt approximates fair value based upon current borrowing rates available in the Company for debt with similar maturities. The carrying amounts of the Company's financial instruments generally approximated their fair value as of December 31, 2017 due to the short-term nature of these instruments.

GEOFFREY RICHARDS SECURITIES CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 11 **SUBSEQUENT EVENTS**

The Company has evaluated subsequent events from its year-end through the date whereupon the financial statements were issued and has determined there are no items to disclose through February 9, 2018.

GEOFFREY RICHARDS SECURITIES CORP
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Schedule I
STATEMENT OF COMPUTATION OF CAPITAL REQUIREMENT

Total Assets	\$ 227,422
Less: Liabilities	<u>3,473</u>
Net Capital before other charges	\$ 223,949
Charges against capital	<u>(19)</u>
Net Capital	\$ <u>223,930</u>

Schedule II
STATEMENT OF COMPUTATION OF BASIC CAPITAL REQUIREMENT

Net Capital	\$ 223,930
Net Capital Required	<u>100,000</u>
Excess Net Capital	\$ <u>123,930</u>

Schedule III
RECONCILIATION OF NET CAPITAL

Net capital per Pro Forma Financial Statements	\$ 223,930
Net capital per Focus Report - Part II A	<u>223,930</u>
Net Difference	<u>\$ - 0 -</u>

Schedule IV
COMPUTATION OF AGGREGATE INDEBTIVENESS

Total Liabilities from Statement of Financial Condition	<u>\$ 3,473</u>
Percentage of aggregate indebtedness to net capital	<u>1.55%</u>

BAUM & COMPANY, P.A.
Certified Public Accountants
407 Lincoln Road, Suite 12B
Miami Beach, Florida 33139
jbaumcpa1@gmail.com
(954)752-1712

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of Geoffrey Richards Securities Corp.
Hypoluxo, Florida

We have reviewed management's statements, included in the accompanying exemption report, in which (1) Geoffrey Richard Securities Corp. identified the following provisions of 17 C.F.R. §15c3-3(k) under which Geoffrey Richards Securities Corp. claimed an exemption from 17 C.F.R. §240.15c3-3 (k)(2)(ii) the (exemption provisions) and (2) Geoffrey Richards Securities Corp. stated that Geoffrey Richards Securities Corp. met the identified exemption provisions throughout the most recent fiscal year without exception. Geoffrey Richards Securities Corp.'s 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 Geoffrey Richards Securities Corp.'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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

Baum & Company, P.A.
Miami Beach, Florida
February 9, 2018

Baum & Company PA



GEOFFREY RICHARDS SECURITIES CORPORATION

7570 S. Federal Hwy Suite 1 Hypoluxo FL 33462 (561) 586-0800 Fax(561) 586-1411

Geoffrey Richards Securities Corp. is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission. This Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1)-(4). The following statements are made to the best knowledge and belief of Geoffrey Richards Securities Corp.

The firm claims an exemption from 17 C.F.R § 240.15c3-3 under the provisions provided from 17 C.F.R. § 240.15c3-3(k)(2)(ii). The firm, as an introducing broker, clears all transactions with and for customers on a fully disclosed basis with a clearing broker-dealer, RBC Capital Markets LLC. The firm promptly transmits all customer funds and securities to RBC Capital Markets LLC which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto pursuant to the requirements of § 240.17a-3 and § 240.17a-4.

Furthermore, Geoffrey Richards Securities Corp. met, without exception, the aforementioned exemptive provision throughout the entire 2017 fiscal year.

GEOFFREY RICHARDS SECURITIES CORP.

I, Geoffrey D. Liddy, affirm, to the best of my knowledge and belief, this Exemption Report is true and correct.



Geoffrey D. Liddy

Principal

Dated February 09, 2018