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Washington, DC

ANNUAL REPORT
FORM X-17A-5
PART III

FACING PAGE

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

SEC FILE NUMBER
8- 00340

REPORT FOR THE PERIOD BEGINNING 01/01/18 AND ENDING 12/31/18
MM/DD/YYYY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: GAGE WILEY & CO., INC.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPLE PLACE OF BUSINESS: (Do not use P.O. Box No.)
120 KING STREET

(No. and Street)

NORTHAMPTON MA 01060
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
CHRISTOPHER MILNE 413-584-9121
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

LARRY D. LIBERFARB, P.C.

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

11 VANDERBILT AVENUE SUITE 220 NORWOOD MA 02062
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirements 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 240.17-a-8(e)(2)

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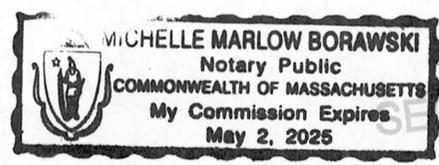
OATH OR AFFIRMATION

I, CHRISTOPHER MILNE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GAGE WILEY & CO., INC., as of DECEMBER 31, 2018, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principle officer or director has any proprietary interest in any account classified solely as that of A customer, except as follows:

Signature
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 Proprietor's 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 15c2-3.
- (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.

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** For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

GAGE - WILEY & COMPANY, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2018

LARRY D. LIBERFARB, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND FINANCIAL ADVISORS

11 Vanderbilt Avenue, Suite 220, Norwood, Massachusetts 02062
Tel. (781) 255-8800 Fax (781) 255-9217
E-Mail: Info@Liberfarb.com

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders
of Gage - Wiley & Company, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Gage - Wiley & Company, Inc. as of December 31, 2018, the related statements of income, changes in shareholders' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Gage - Wiley & Company, Inc. as of December 31, 2018, 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 Gage - Wiley & Company, Inc.'s management. Our responsibility is to express an opinion on Gage - Wiley & Company, Inc.'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 Gage - Wiley & Company, Inc. 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 computation of net capital under SEC Rule 15c3-1, and computation for and information related to possession or control determination of reserve requirements for broker/dealers under SEC Rule 15c3-3 have been subjected to audit procedures performed in conjunction with the audit of Gage - Wiley & Company, Inc.'s financial statements. The supplemental information is the responsibility of Gage-Wiley & Company, Inc.'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 computation of net capital under SEC Rule 15c3-1, and computation for and information related to possession or control determination of reserve requirements for broker/dealers under SEC Rule 15c3-3 are fairly stated, in all material respects, in relation to the financial statements as a whole.


Larry D. Liberfarb, P.C.

We have served as Gage - Wiley & Company, Inc.'s auditor since 1996.

Norwood, Massachusetts

January 28, 2019

GAGE - WILEY & COMPANY, INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2018

ASSETS

Cash	\$	376,115
Deposit with clearing organization		44,838
Receivable from broker-dealers and clearing organizations		102,344
Due from affiliated entity		90,015
Due from Officer		232,832
Other assets		82,897
 Total Assets	 \$	 929,041

LIABILITIES AND STOCKHOLDERS' EQUITY

Liabilities:		
Income taxes payable	\$	92,000
Accounts payable, accrued expenses, and other liabilities		216,314
Total Liabilities		308,314
 Stockholders' equity:		
Preferred stock		
Series A, 100 shares authorized, 5 shares issued and outstanding \$.01 par value, nonvoting		25,000
Series B, 100 shares authorized, 10 shares issued and outstanding \$.01 par value, nonvoting		50,000
Common stock		
Class A, 3,000 shares authorized, 504 shares issued and outstanding \$.01 par value, voting		5
Class B, 2,000 shares authorized, 496 shares issued and outstanding \$.01 par value, voting		5
Additional paid-in capital		249,990
Retained earnings		456,033
 Less:		
Treasury common stock at cost, Class B, 496 shares, \$.01 par value, voting		(142,000)
Treasury preferred stock at cost, Class A, 5 shares, \$.01 par value, nonvoting		(18,306)
Total stockholders' equity		620,727
 Total Liabilities and Stockholders' Equity	 \$	 929,041

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

GAGE - WILEY & COMPANY, INC.
STATEMENT OF INCOME
DECEMBER 31, 2018

Revenues:	
Commissions	\$ 753,792
Mutual Fund and 12b1 fees	849,354
Management fees	1,650,000
Interest	8,429
Other client income	252,149
	<u>3,513,724</u>
Expenses:	
Employee compensation and benefits	1,674,813
Owner compensation and benefits	484,421
Floor brokerage, exchange and clearance fees	85,320
Communications and data processing	115,022
Occupancy and equipment rentals	167,656
Other expenses	717,873
	<u>3,245,104</u>
Income before income taxes	<u>268,620</u>
Income taxes	<u>85,000</u>
Net Income	<u><u>\$ 183,620</u></u>

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

GAGE - WILEY & COMPANY, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
DECEMBER 31, 2018

	<u>Preferred Stock</u>	<u>Common Stock</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Treasury Stock</u>	<u>Total Stockholders' Equity</u>
Balance, January 1, 2018	\$ 75,000	\$ 10	\$ 249,990	\$ 272,413	\$(160,306)	\$ 437,107
Net Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>183,620</u>	<u>-</u>	<u>183,620</u>
Balance, December 31, 2018	<u>\$ 75,000</u>	<u>\$ 10</u>	<u>\$ 249,990</u>	<u>\$ 456,033</u>	<u>\$(160,306)</u>	<u>\$ 620,727</u>

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

GAGE-WILEY & COMPANY, INC.
STATEMENT OF CASH FLOWS
DECEMBER 31, 2018

Cash flows from operating activities:

Net income		\$ 183,620
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization		3,437
Changes in Assets And Liabilities:		
(Increase)/Decrease in Deposits with clearing organization	(788)	
(Increase)/Decrease in Receivable from broker-dealers and clearing organizations	(30,249)	
(Increase)/Decrease in Other assets	(108,597)	
Increase/(Decrease) in Income taxes payable	85,000	
Increase/(Decrease) in Accounts payable, accrued expenses	14,046	(40,588)
Net cash from operating activities		146,469

Cash flows from investing activities

Purchase of Equipment	(17,053)	
Net cash from investing activities		(17,053)

Cash flows from financing activities

None	-	
Net cash from financing activities		-

Net increase in cash \$ 129,416

Cash Balance at January 1, 2018 246,700

Cash Balance at December 31, 2018 \$ 376,116

Supplemental disclosures of cash flow information:

Cash paid during the year for:

Income taxes		\$ 0
Interest		\$ 0

Disclosure of accounting policy:

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

GAGE - WILEY & COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Business

The Company was organized as a Delaware corporation on December 29, 1986. The Company is a broker-dealer registered with the Securities and Exchange Commission (SEC), and is a member of the Financial Industry Regulatory Authority, Inc. (FINRA). The Company has an agreement with a carrying broker to clear or hold its customer accounts and securities, which are maintained on the records of the carrying broker. The Company processes mutual fund transactions in its customers' names. The Company primarily sells securities and mutual funds to retail customers.

Securities Transactions

Customers' securities transactions are recorded on the trade date. The related commission revenue and expenses are also recorded on the accrual basis using the trade date.

Property and Equipment

Property and equipment are recorded at cost. The cost of maintenance and repairs is charged to operations as incurred. Major improvements to property and equipment are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over thirty nine years, computer equipment and furniture fixtures, five years.

Income Taxes

Income taxes are provided for the tax effects of the transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. The company files consolidated income tax returns with two related organizations; Gage-Wiley Group, Inc. and G.W.G. Insurance Company, Inc.

The company remains subject to examination for income tax returns for the years ending after December 31, 2013.

Advertising

The Company's policy is to expense advertising costs as the costs are incurred.

Use of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates.

GAGE - WILEY & COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 2018

NOTE 2 - CONCENTRATIONS OF CREDIT RISK

The Company is engaged in various trading and brokerage activities whose counterparties primarily include broker-dealers, banks, and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the credit worthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty with which it conducts business.

The Company maintains cash in bank accounts in excess of the established limit insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE 3 - RECEIVABLE FROM BROKER- DEALERS AND CLEARING ORGANIZATIONS

Amounts receivable from broker-dealers and clearing organizations at December 31, 2018 consist of the following:

Fees and commissions receivable	\$102,344
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NOTE 4 - PROPERTY AND EQUIPMENT

As of December 31, 2018 major classes of property and equipment consisted of the following:

Computer equipment	\$242,758
Furniture and fixtures	184,050
Leasehold improvements	<u>155,197</u>
	582,005
Less: Accumulated depreciation	<u>568,389</u>
	<u>\$ 13,616</u>

Depreciation expense for 2018 was \$3,437

NOTE 5 - RELATED-PARTY TRANSACTIONS

Gage-Wiley Group, Inc., an affiliated entity, owns 10 shares of the Company's Series B preferred stock.

The Company charged Gage-Wiley Group, Inc. \$1,650,000 for management services during 2018. These services include data processing, software and hardware access, investment research and consulting services related to independent investment advisors. At December 31, 2018 the Company was owed \$90,015 from this affiliate. Since this entity is under common control, operating results or financial position of the Company could differ significantly from those that would have been obtained if the entities were autonomous.

GAGE - WILEY & COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 2018

NOTE 5 - RELATED PARTY TRANSACTIONS (CONTINUED)

The Company leases its operating facility from a stockholder, as a tenant at will. The Company is also responsible for insurance, taxes, utilities, repairs and maintenance for the above operating lease. Since there is common control, operating results or financial position of the company could differ significantly from those that would have been obtained if the entities were autonomous.

Rent expense for 2018 was \$144,441.

The president of the company has been advanced \$232,832 as of December 31, 2018. Interest on this loan is at 3%. There is no specified repayment terms for this loan.

NOTE 6 - OPERATING LEASES

The Company leases additional office space at the rate of \$2,164 per month. The lease is at a tenant at will. Rent expense for 2018 was \$22,092.

NOTE 7 - INCOME TAXES

The company files consolidated income tax returns with related organizations. Upon consolidation income tax expense consisted of the following:

Federal	\$ 56,000
State	<u>29,000</u>
	\$ 85,000

GAGE - WILEY & COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 2018

NOTE 8- NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2018 the Company had net capital of \$256,433, which was \$156,433 in excess of its required net capital of \$100,000. The Company's net capital ratio was .99 to 1.

NOTE 9 - EMPLOYEE BENEFIT PLANS

The Company has a 401(k) profit sharing plan, which covers all employees meeting minimum age and service requirements, with funding based upon employee contributions. The total profit sharing plan expense for 2018 was \$78,942.

NOTE 10 - BROKER'S BOND

The Company carries a broker's blanket fidelity bond in the amount of \$1,000,000.

NOTE 11 - FAIR VALUE

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.

Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.

Level 3 are unobservable inputs for the asset or liability and rely on management's own assumption about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

A qualifying asset or liability's level within the framework is based upon the lowest level of any input that is significant to the fair value measurement. The Company's qualifying assets or liabilities are recorded at fair value using Level 1 inputs.

GAGE - WILEY & COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS, CONTINUED
DECEMBER 31, 2018

NOTE 12 – UNCERTAINTY IN INCOME TAXES

Effective January 1, 2009, the Company adopted ASC Topic 740-10 Accounting for Uncertainty in Income Taxes, which required the Company to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2018, the Company determined that it had no tax positions that did not meet the "more likely than not" threshold of being sustained by the applicable tax authority. The Company files taxes and information returns in the United States Federal and Massachusetts state jurisdictions. These returns are generally subject to examination by the authorities for the last three years.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 28, 2019, the date on which the financial statements were available to be issued. There were no subsequent events that require adjustment or disclosure in the financial statements.

GAGE - WILEY & COMPANY, INC.

SUPPLEMENTARY SCHEDULES

DECEMBER 31, 2018

SCHEDULE I
GAGE - WILEY & COMPANY, INC.
COMPUTATION OF NET CAPITAL REQUIREMENT
AND AGGREGATE INDEBTEDNESS PURSUANT TO RULE 15c3-1
DECEMBER 31, 2018

Computation of net capital	
Total stockholders' equity	\$ 620,727
Adjustments	
Allowable Credits	52,000
Nonallowable assets	
Due from affiliated entity	(90,015)
Due from Officer	(232,832)
Other assets	(92,600)
Tentative net capital	<u>257,280</u>
Haircuts	<u>(847)</u>
Net Capital	<u><u>\$ 256,433</u></u>
Computation of aggregate indebtedness	
Income taxes payable	\$ 92,000
Accounts payable, accrued expenses	<u>164,239</u>
Aggregate indebtedness	\$ 256,239
Ratio of aggregate indebtedness to net capital	.99 to 1
Net capital requirement, the greater of 6-2/3% of aggregate indebtedness or minimum requirement of \$100,000	<u><u>\$ 100,000</u></u>
Reconciliation between audited and unaudited computation of net capital:	
Net capital as reported in the Company's Part IIA (unaudited), Focus Report	\$ 256,433
Net audit adjustments	-
Increase in non-allowables and haircuts	-
Net capital per above	<u><u>\$ 256,433</u></u>

SCHEDULE II

GAGE - WILEY & COMPANY, INC.

**COMPUTATION FOR AND INFORMATION RELATED TO POSSESSION
OR CONTROL DETERMINATION OF RESERVE REQUIREMENTS
FOR BROKER/DEALERS UNDER RULE 15C3-3 OF THE SECURITIES
EXCHANGE ACT OF 1934**

DECEMBER 31, 2018

Gage-Wiley & Company, Inc. is exempt from the reserve requirements of Rule 15c3-3 as its transactions are limited, such that they do not handle customer funds or securities except for mutual funds which are processed through a special account for the exclusive use of customers, 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.

LARRY D. LIBERFARB, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND FINANCIAL ADVISORS

11 Vanderbilt Avenue, Suite 220, Norwood, Massachusetts 02062
Tel. (781) 255-8800 Fax (781) 255-9217
E-Mail: Info@Liberfarb.com

Report of Independent Registered Public Accounting Firm On Applying Agreed-Upon Procedures

Board of Directors of
Gage - Wiley & Company, Inc.

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below and were agreed to by Gage - Wiley & Company, Inc. and the SIPC, solely to assist you and SIPC in evaluating Gage - Wiley & Company, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended December 31, 2018. Gage - Wiley & Company, Inc.'s management is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards established by the Public Company Accounting Oversight Board (United States) and in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 Total Revenue amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2018 with the Total Revenue amount reported in Form SIPC-7 for the year ended December 31, 2018, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Recalculated 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 or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Gage - Wiley & Company, Inc.'s compliance with the applicable instructions of the Form SIPC-7 for the year ended December 31, 2018. Accordingly, we do not express such an opinion or conclusion. 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 Gage - Wiley & Company, Inc. and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.


Norwood, Massachusetts
January 28, 2019