

Part 2A of Form ADV: *Firm Brochure*



Destiny Capital Corporation

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This brochure provides information about the qualifications and business practices of Destiny Capital Corporation. If you have any questions about the contents of this brochure, please contact us at 303-277-9977 or cco@dccmail.net. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Destiny Capital Corporation also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 111196.

Item 2 Material Changes

This Firm Brochure, dated 02/21/2014, provides you with a summary of Destiny Capital Corporation's advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows.

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates – any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated 09/12/2013:

There is one material change since the filing 03/15/2013 of this document. We relocated our office to 13922 Denver West Parkway, Suite 150, Golden, CO 80401 on August 15, 2013.

Item 3	Table of Contents	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	7
Item 6	Performance-Based Fees and Side-By-Side Management	9
Item 7	Types of Clients	9
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9	Disciplinary Information	11
Item 10	Other Financial Industry Activities and Affiliations	11
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	13
Item 12	Brokerage Practices	15
Item 13	Review of Accounts	16
Item 14	Client Referrals and Other Compensation	17
Item 15	Custody	17
Item 16	Investment Discretion	18
Item 17	Voting Client Securities	18
Item 18	Financial Information	18

Item 4 Advisory Business

Destiny Capital Corporation is a SEC-registered investment adviser with its principal place of business located in Colorado. Destiny Capital Corporation began conducting business in 1988.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Destiny Holdings, Inc., Owner

In addition, the following information identifies persons that indirectly own 25% or more of our firm:

- Steven Reese Musick, CEO, President

Destiny Capital Corporation offers the following advisory services to our clients:

INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations and other personal circumstances.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Once the client's portfolio has been established, we review the discretionary portfolios weekly and make changes periodically based on the client's individual needs. The non-discretionary clients are notified three times a year of recommended portfolio changes through newsletters. Clients are typically offered planning reviews every year when all personal planning circumstances are reviewed; in some cases reviews are conducted every other year.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter

- Foreign issuers
- Corporate debt securities (other than commercial paper)
- Certificates of Deposit
- Municipal securities
- Variable Life Insurance
- Variable Annuities
- Mutual Funds
- Exchange Traded Funds
- United States government securities
- Options contracts on securities
- Real Estate Investment Trusts

Because some types of investments involve certain additional degrees of risk, they will only be implemented or recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

FINANCIAL PLANNING

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive a written report which provides the client with a detailed financial plan designed to assist the client to achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **Personal:** We review family records, current lifestyle, personal liability, estate information and financial goals.
- **Tax & Cash Flow:** We analyze the client's income tax and current lifestyle spending and planning for past, current and future years. Tax planning is a dimension of our services.
- **Investments:** We analyze investment alternatives and their effect on the client's portfolio.

- Insurance: We review existing policies to ensure proper coverage for life, health, disability, and long-term care.
- Retirement: We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- Death & Disability: We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- Estate: We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, estate taxes, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and cash flow planning, estate planning and business planning.

Typically the financial plan is presented to the client within three months of the initial meeting, provided that all information needed to prepare the financial plan has been promptly provided.

Financial planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are specific to client circumstances.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only isolated area(s) of concern such as estate planning, retirement planning, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns of the client.

Consulting recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. All recommendations are specific to client circumstances.

AMOUNT OF MANAGED ASSETS

As of 12/31/2013, we were actively managing \$139,146,605 of client assets on a discretionary basis plus \$49,673,554 of client assets on a non-discretionary basis.

Item 5 Fees and Compensation

PORTFOLIO MANAGEMENT SERVICES FEES

Clients have the option to choose either of two fee schedules for discretionary portfolio management services.

Clients who operate under a fee and commission schedule are assessed annual fees for discretionary portfolio management services based upon a percentage of assets under management and generally range from 0.63% to 1.00%.

Clients who operate under a schedule where the client pays no commissions on transactions such as mutual funds, exchange traded funds, individual securities and other similar financial products are assessed a combined annual fee for discretionary portfolio management, financial planning and client service based upon a percentage of assets under management and generally range from 0.70% to 1.51%. Commissions may be charged on purchases of insurance products and to sell assets that have been transferred in-kind.

Limited Negotiability of Advisory Fees: Although Destiny Capital Corporation has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client by client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client's personal circumstances, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, and reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

FINANCIAL PLANNING FEES

Destiny Capital Corporation's Financial Planning fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on a fixed fee basis, typically ranging from \$425 to \$35,000 depending on the specific arrangement reached with the client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will not exceed \$1,000 for work that will not be completed within six months. The balance is due upon completion of the plan.

Fees are paid in advance for one year. A pro rata refund is provided, unconditionally, if the Client Services Agreement is terminated by either party during the current year services are provided.

CONSULTING SERVICES FEES

Destiny Capital Corporation's Consulting Services fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

Our Consulting Services fees are calculated and charged on an hourly basis, ranging from \$150 to \$440 per hour or based on a day rate of \$3,000 plus expenses. An estimate for the total hours is determined at the start of the advisory relationship.

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which could result in a commission being paid to the individuals. The implementation of any or all recommendations is solely at the discretion of the client.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will prorate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees: All fees paid to Destiny Capital Corporation for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount

of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Destiny Capital Corporation's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: Destiny Capital Corporation complies with all "ERISA" guidelines on Pension and Retirement Plans we administer for clients.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Item 6 Performance-Based Fees and Side-By-Side Management

Destiny Capital Corporation does not charge performance-based fees.

Item 7 Types of Clients

Destiny Capital Corporation provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans
- Charitable organizations
- Corporations or other businesses not listed above

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or

managing client assets:

Fundamental Analysis: We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Quantitative Analysis: We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis: We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk of using qualitative analysis is that our subjective judgment may prove incorrect.

Asset Allocation: Within each class of securities, we attempt to identify more narrow categories such as domestic vs. international, growth vs. value, large cap vs. small cap, long vs. short maturities, corporate vs. government vs. municipal, etc. The number of potential subcategories can be quite large. Mutual funds and exchange traded funds can be useful tools to identify and recommend narrow strategies.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of equities, fixed income securities, and cash equivalents will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund Analysis: We look at the experience and track record of the manager of the mutual fund in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a

risk that a manager may deviate from the stated investment mandate or strategy of the fund, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis: Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term investments: We purchase securities with the idea that they will be held as long term investments for a period of one year or more. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases: When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Risk of Loss: Securities investments are not guaranteed and clients may lose money on their investments. We ask clients to work with us to help us understand their tolerance for risk.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

FIRM Registrations:

In addition to Destiny Capital Corporation being a registered investment adviser, our sister company, Destiny Capital Securities Corporation is registered as a FINRA member broker-dealer. A list of affiliated broker-dealers is specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1, which can be accessed by following the directions provided on the Cover Page of this Firm Brochure.

Management Personnel Registrations:

Management personnel of Destiny Capital Corporation are separately licensed as registered representatives of Destiny Capital Securities Corporation, an affiliated FINRA broker-dealer. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

While Destiny Capital Corporation and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Clients should be aware that the receipt of additional compensation by Destiny Capital Corporation and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Destiny Capital Corporation endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so

that we may ensure that any conflicts of interests in such activities are properly addressed;

- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Destiny Capital Corporation and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement). Our employees are prohibited from purchasing an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Destiny Capital Corporation's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to cco@dccmail.net, or by calling us at 303-277-9977.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In

addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any individual security or exchange traded fund prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts. The purchase or sale of mutual funds is not restricted.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered.
9. All of our principals and employees must act in accordance with all applicable Federal and

State regulations governing registered investment advisory practices.

10. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
11. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
12. Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer, and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 Brokerage Practices

For discretionary clients, Destiny Capital Corporation requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

Destiny Capital Corporation does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

Destiny Capital Corporation will execute block trades where possible and when advantageous to clients. This permits the trading of aggregate blocks of securities composed of assets from multiple client accounts at an average share price. Transaction costs are shared on a prorated basis between all accounts included in the block trade.

Block trading may allow us to execute equity trades in a timelier, more equitable manner. Destiny Capital Corporation will typically aggregate trades among clients whose accounts can be traded through Destiny Capital Securities Corporation. Destiny Capital Corporation's block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with Destiny Capital Corporation, or our firm's order allocation policy.
- 2) The trading desk in concert with the portfolio manager must determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and

will enable Destiny Capital Corporation to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.

4) Prior to entry of an aggregated order, a written order ticket must be completed which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients.

5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) Destiny Capital Corporation's client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on Destiny Capital Corporation's records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

Item 13 Review of Accounts

PORTFOLIO MANAGEMENT SERVICES

Reviews: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed four times a year. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More

frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Steven Musick, CEO/President, Judd Kramer, CFO, Jarrod Musick, Vice President, Investment Adviser Representative, Mabel Pirner, Financial Analyst, and from time to time by other financial advisory personnel employed by or contracted by the firm.

Reports: In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their custodians, Destiny Capital Corporation will provide reports three times a year summarizing account performance, balances and holdings.

FINANCIAL PLANNING SERVICES

Reviews: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically formal reviews will be conducted annually for all discretionary clients. Non-discretionary clients are formally reviewed annually or bi-annually depending on the needs of the client.

Reports: Financial Planning clients will receive a comprehensive financial plan at the time of signing the client contract. Additional reports will be generated and provided each year at the annual review or as needed due to changing factors.

Item 14 Client Referrals and Other Compensation

It is Destiny Capital Corporation's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is Destiny Capital Corporation's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients. Invitations to attend insurance conferences are an exception and attendance will be allowed. An Investment Adviser Representative who is invited to meet with portfolio managers of a mutual fund company will be allowed to attend. Attendance at conferences that are sponsored by Destiny Capital Securities Corporation's clearing firm will be allowed. Destiny Capital Securities Corporation is the affiliated Broker/Dealer of Destiny Capital Corporation.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts. An authorization is signed by the client before fees are debited.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to

send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the time to buy or sell; and/or
- determine the price to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward copies of all proxies and shareholder communications relating to the client's investment assets to the client.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 18 Financial Information

We require some clients to pay fees that are (a) greater than \$1200 and (b) billed six months or more in advance. Accordingly, a copy of our firm's balance sheet is attached.

As an advisory firm that maintains discretionary authority for client accounts we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Destiny Capital Corporation has no additional financial circumstances to report.

Destiny Capital Corporation has not been the subject of a bankruptcy petition at any time during the past ten years.

DESTINY CAPITAL CORPORATION
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

DESTINY CAPITAL CORPORATION

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	3
Statement of Financial Condition	4
Notes to Statement of Financial Condition	5-7



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Destiny Capital Corporation

Report on the Statement of Financial Condition

We have audited the accompanying statement of financial condition of Destiny Capital Corporation (the "Company") as of December 31, 2013 and the related notes to the statement of financial condition.

Management's Responsibility for the Statement of Financial Condition

Management is responsible for the preparation and fair presentation of this statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statement of financial condition that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this statement of financial condition based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the statement of financial condition, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement of financial condition in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of financial condition.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Destiny Capital Corporation as of December 31, 2013 in accordance with accounting principles generally accepted in the United States of America.

Greenwood Village, Colorado
January 25, 2014



DESTINY CAPITAL CORPORATION
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2013

ASSETS

CURRENT:

Cash and cash equivalents	\$ 262,115
Fees receivable	40,157
Prepaid expenses	10,802
Due from related entity (Note 2)	<u>64,174</u>

<i>Total current assets</i>	<u>377,248</u>
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PROPERTY AND EQUIPMENT:

Office furniture	109,606
Office equipment	98,068
Automobiles	<u>28,474</u>

<i>Total property and equipment</i>	236,148
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Less accumulated depreciation	<u>(127,184)</u>
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<i>Net property and equipment</i>	<u>108,964</u>
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OTHER ASSETS

Rent deposit	<u>11,276</u>
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\$ 497,488

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

Deferred revenue	\$ 299,460
Accounts payable and accrued expenses	9,568
Due to related entity (Note 2)	<u>14,452</u>

<i>Total current liabilities</i>	323,480
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COMMITMENTS (Note 2)

SHAREHOLDERS' EQUITY:

Common stock, no par value; 50,000 shares authorized, 1,000 issued and outstanding	1,000
Additional paid-in capital	85,286
Retained earnings	<u>87,722</u>

<i>Total shareholders' equity</i>	<u>174,008</u>
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\$ 497,488

The accompanying notes are an integral part of this statement.

DESTINY CAPITAL CORPORATION

NOTES TO STATEMENT OF FINANCIAL CONDITION

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Destiny Capital Corporation (the “Company”) was incorporated under the laws of the state of Colorado on March 31, 1995 to engage in the business of financial planning. The Company is registered as an investment advisor with the Securities and Exchange Commission. The Company is a wholly-owned subsidiary of Destiny Holdings, Inc (Parent).

Cash and Cash Equivalents

The Company considers investments with maturities less than three months to be cash equivalents.

Fees Receivable

Bad debts are provided on the allowance method based on historical experience and management’s best evaluation of outstanding fees receivable. There is no allowance for doubtful accounts at December 31, 2013.

Revenue Recognition

The Company receives advisory fees in advance from its clients. These fees are deferred and recognized as income over the period of the respective advisory contracts.

Property, Equipment and Leasehold Improvements

Property, equipment and leasehold improvements are recorded at cost. Depreciation is computed using both straight-line and accelerated methods, and is based on estimated useful lives of five to thirty-nine years.

Income Taxes

The Company has elected to be taxed under Subchapter S of the Internal Revenue Code. Accordingly, the Company’s taxable income or loss is includable in the tax return of the Company’s Parent.

DESTINY CAPITAL CORPORATION

NOTES TO STATEMENT OF FINANCIAL CONDITION

(continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(concluded)*

Income Taxes *(concluded)*

The Company is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any tax related appeals or litigation processes, based on the technical merits of the position. The Company files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states. The Company is not subject to income tax return examinations by major taxing authorities for years before 2010. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized results in the Company recording a tax liability that reduces net assets. However, the Company's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, on-going analyses of and changes to tax laws, regulations and interpretations thereof. The Company recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income taxes payable, if assessed. No interest expense or penalties have been recognized as of and for the year ended December 31, 2013.

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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Fair Value of Financial Instruments

The Company's financial instruments, including cash and cash equivalents, fees receivable, prepaid expenses, due from related entity, accounts payable and accrued expenses, deferred revenue and due to related entity, are carried at amounts that approximate fair value due to the short-term nature of those instruments.

Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever changes in circumstances indicate that the carrying amount of an asset may not be recoverable. For purposes of evaluating the recoverability of long-lived assets, the recoverability test is performed using undiscounted net cash flows estimated to be generated by the asset. To date, no impairment has occurred.

DESTINY CAPITAL CORPORATION

NOTES TO STATEMENT OF FINANCIAL CONDITION

(concluded)

NOTE 2 - COMMITMENTS AND RELATED PARTY TRANSACTIONS

The Company leases office space from an unrelated party under a non-cancelable operating lease expiring December 31, 2023. Future minimum lease payments are approximately as follows:

<u>Year</u>	<u>Amount</u>
2014	\$ 116,365
2015	119,307
2016	122,249
2017	125,190
2018	128,132
Thereafter	<u>684,781</u>
Total	<u>\$ 1,296,024</u>

The Company has an operating agreement (the "Agreement") with an affiliated company, Destiny Capital Securities Corporation ("DCSC"). Under the Agreement, the Company pays DCSC a monthly amount to cover a portion of expenses incurred by the Company. The Company utilizes the services of DCSC's employees and pays a portion of those payroll related expenses such as salary, payroll taxes, 401(k) match, health care costs, etc. Beginning in July 2013, the Agreement was amended to include two additional payments to DCSC by the Company. The first additional payment is to reimburse DCSC for services provided by Pershing LLC and charged to DCSC. The second payment is to compensate DCSC for brokerage services provided on behalf of the Company. During the year ended December 31, 2013, the Company paid DCSC \$1,106,789 and received \$102,286 from DCSC under the Agreement. The Company has a receivable due from a related entity in the amount of \$64,174 and a payable to a related entity in the amount of \$14,452.

NOTE 3 - SUBSEQUENT EVENTS

The Company has performed an evaluation of subsequent events through the date the financial statements were issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.