



16012154

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

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: March 31, 2016  
average burden  
hours per response: . . . . . 12.00

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

SEC  
Mail Processing  
Section

FEB 26 2016

Washington DC  
404

SEC FILE NUMBER  
B- 49718

FACING PAGE

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

REPORT FOR THE PERIOD BEGINNING 01/01/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: GARRY PIERCE FINANCIAL SERVICES LLP

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

1929 N WASHINGTON ST

(No. and Street)

BISMARCK

ND

58501

(City)

(State)

(Zip Code)

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

GARRY PIERCE

701-222-3017

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

WIDMER ROEL PC

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

4334 18TH AVE S SUITE 101

FARGO

ND

58103

(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)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

*MW*

*JG*

OATH OR AFFIRMATION

I, GARRY PIERCE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GARRY PIERCE FINANCIAL SERVICES, LLP, as of DECEMBER 31, 2015, 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:

*Garry Pierce appeared and acknowledged before me this 17th day of Feb 2016.  
Melody Casson Schiwal  
Notary Public*

*Garry Pierce*  
Signature

GENERAL PARTNER  
Title

*County of: Burleigh  
State of: North Dakota*

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 report.

MELODY CASSON-SCHIWAL  
Notary Public  
State of North Dakota  
My Commission Expires March 2, 2017

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

**GARRY PIERCE FINANCIAL  
SERVICES, LLP**

*FINANCIAL STATEMENTS  
DECEMBER 31, 2015*

**GARRY PIERCE FINANCIAL SERVICES, LLP**

Table of Contents

---

	<u>Page</u>
<b>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</b>	1
<b>FINANCIAL STATEMENTS</b>	
Financial Condition	2
Operations	3
Partners' Equity	4
Cash Flows	5
Notes to Financial Statements	6
<b>SUPPLEMENTARY INFORMATION REQUIRED BY RULE 17a-5 OF THE SECURITIES AND EXCHANGE COMMISSION</b>	
Schedule I	
Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	9
<b>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON REVIEW OF EXEMPTION REPORT</b>	10
<b>SMALL ENTITY EXEMPTION REPORT</b>	11



4334 18th Avenue S.  
Ste 101  
Fargo, ND 58103-7414

Phone: 701.237.6022  
Toll Free: 888.237.6022  
Fax: 701.280.1495

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

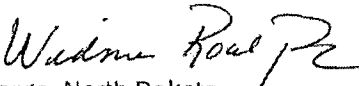
To the Partners  
Garry Pierce Financial Services, LLP  
Bismarck, North Dakota

We have audited the accompanying statement of financial condition of Garry Pierce Financial Services, LLP, (a North Dakota partnership), as of December 31, 2015 and the related statements of operations, partners' equity and cash flows for the year then ended. These financial statements are the responsibility of Garry Pierce Financial Services, LLP's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Garry Pierce Financial Services, LLP as of December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Schedule I - Computation of Net Capital under Rule 15c3-1 (Schedule I) has been subjected to audit procedures performed in conjunction with the audit of Garry Pierce Financial Services, LLP's financial statements. The supplemental information is the responsibility of Garry Pierce Financial Services, LLP'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, Schedule I is fairly stated, in all material respects, in relation to the financial statements as a whole.

  
Fargo, North Dakota  
February 23, 2016

**GARRY PIERCE FINANCIAL SERVICES, LLP**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2015**

---

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 46,580
Accounts receivable	22,219
Total current assets	<u>68,799</u>

**EQUIPMENT AND FIXTURES, at cost,**

Less accumulated depreciation	8,122
Net equipment and fixtures	<u>8,122</u>
	<u>-</u>

Total assets	<u>\$ 68,799</u>
--------------	------------------

**LIABILITIES AND PARTNERS' EQUITY**

Liabilities	\$ -
-------------	------

Partners' equity	<u>68,799</u>
------------------	---------------

Total liabilities and partners' equity	<u>\$ 68,799</u>
--	------------------

**GARRY PIERCE FINANCIAL SERVICES, LLP**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2015**

---

COMMISSIONS REVENUES	\$ 135,441
INTEREST INCOME	10
Total gross revenues	<u>135,451</u>
GENERAL AND ADMINISTRATIVE EXPENSES	
Occupancy	7,380
Professional services	19,284
Office supplies	984
Fees	1,660
Communication and data processing	2,534
Dues and subscriptions	360
Insurance	956
Donations	14,722
Other	2,536
Total general and administrative expenses	<u>50,416</u>
Net earnings	<u>\$ 85,035</u>

**GARRY PIERCE FINANCIAL SERVICES, LLP**  
**STATEMENT OF PARTNERS' EQUITY**  
**YEAR ENDED DECEMBER 31, 2015**

---

BALANCE - DECEMBER 31, 2014	\$	52,764
Net earnings		85,035
Partner draws		<u>(69,000)</u>
BALANCE - DECEMBER 31, 2015	\$	<u><u>68,799</u></u>



**GARRY PIERCE FINANCIAL SERVICES, LLP**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2015**

---

CASH FLOWS FROM OPERATING ACTIVITIES	
Net earnings	\$ 85,035
Changes in assets and liabilities	
Accounts receivable	(21,419)
NET CASH FROM OPERATING ACTIVITIES	<u>63,616</u>
CASH FLOWS USED FOR FINANCING ACTIVITY	
Partners' draws	<u>(69,000)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(5,384)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>51,964</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 46,580</u></u>

**GARRY PIERCE FINANCIAL SERVICES, LLP**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

---

**NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Business*

Garry Pierce Financial Services, LLP (Company) is organized as a limited liability partnership under the laws of the State of North Dakota and shall continue in perpetuity unless dissolved or terminated at an earlier date. The Company operates as a broker/dealer in securities under the Securities Exchange Act of 1934 providing sales of investment companies, variable annuity contracts and real estate investment trusts on an application-way basis. The Company operates one site in Bismarck, North Dakota. The majority of the Company's revenues are generated from sales to residents of North Dakota.

The Company operates under the provisions of Paragraph (k)(2)(i) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that Rule. Essentially, the requirements of Paragraph (k)(2)(i) provide that the Company does not maintain margin accounts, does not hold funds or securities for customers and promptly transmits all customer funds and securities connected with the Company's brokerage activities.

*Basis of Accounting*

Commission revenue and commission expense are recognized on a trade date basis.

*Cash and Cash Equivalents*

The Company considers temporary, highly liquid investments to be cash equivalents.

*Accounts Receivable*

Accounts receivable result from commissions earned on sales of investments. Commissions are received monthly from the related investments. The Company regularly monitors all receivable balances and charges bad debt expense with any receivables deemed to be uncollectible. The Company does not charge interest and does not require collateral on any receivables.

*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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Property and Equipment*

Property and equipment are stated at cost. Depreciation is computed on the straight-line method using estimated useful lives of five to seven years.

## NOTES TO FINANCIAL STATEMENTS

---

### *Income Taxes*

Income taxes on Partnership income are levied on the partners at the partner level. Accordingly, all profits and losses of the Partnership are recognized by each partner on their respective tax returns. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax returns filed. The Company's federal and state income tax returns prior to fiscal year 2012 are closed. Any interest or penalties assessed to the Partnership are recorded in operating expenses. For the year ended December 31, 2015, there were no interest or penalties recorded in the accompanying financial statements.

In accordance with FASB ASC 740-10, the Company undergoes an annual analysis of its various tax positions, assessing the likelihood of those positions being upheld upon examination with relevant tax authorities, as defined by FASB ASC 740-10. At December 31, 2015, the Company had no tax positions that would not be held up under examination.

### *Subsequent Events*

The Company has evaluated subsequent events through February 23, 2016, the date which the financial statements were available to be issued.

## **NOTE 2 - CONCENTRATIONS OF CREDIT RISK**

Approximately 76% of the Company's earned revenues for 2015 were generated from commissions associated with transactions of Edgewood Real Estate Investment Trust, a nonpublic real estate investment trust with properties located throughout the upper Midwest. At December 31, 2015, the Company had a receivable of \$22,219 from Edgewood Real Estate Investment Trust.

Approximately 23% of the Company's earned revenues for 2015 were generated from commissions associated with transactions of NorthStar Real Estate Income Trust, a nonpublic debt real estate investment trust which owns the mortgages on properties located throughout the United States.

## **NOTE 3 - OPERATING LEASE**

The Company leases office space under an operating lease agreement which expires April 30, 2020. Terms of the lease call for monthly rent payments of \$640 through April 30, 2016. Monthly rents are to increase to \$655 on May 1, 2016 and are to increase an additional \$15 per month on May 1 of each subsequent year. Rent expense totaled \$7,380 for the year ended December 31, 2015.

Future minimum lease payments are as follows:

### For the Years Ending December 31,

2016	\$ 7,800
2017	7,980
2018	8,160
2019	8,340
2020	2,800
	<u>\$ 35,080</u>

## NOTES TO FINANCIAL STATEMENTS

---

### NOTE 4 - NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1) which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (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).

As of December 31, 2015, the Company had the following net capital:

Net capital	<u>\$ 46,580</u>
Excess net capital	<u>\$ 41,580</u>
Aggregate indebtedness ratio	<u>.00 to 1</u>

The Securities and Exchange Commission has adopted certain amendments to its Net Capital Rule requiring increased minimum net capital for brokers and dealers in securities. The Company is still subject to a \$5,000 minimum net capital requirement. The Company is also subject to the requirements that if aggregate indebtedness multiplied by 6-2/3 percent is higher, the minimum net capital would be increased to the higher amount.

### NOTE 5 - PARTNERS EQUITY

<u>Partners</u>	<u>Ownership Percentages</u>
Garry G. Pierce	95%
Karen M. Pierce	5%
	<u>100%</u>

### NOTE 6 - RETIREMENT PLAN

The Company has a simplified retirement plan where contributions are made at the discretion of the owners. Contributions to the partners' retirement plan are recognized as partner draws.

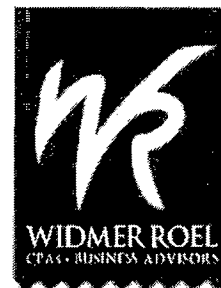
**GARRY PIERCE FINANCIAL SERVICES, LLP**

***SUPPLEMENTARY INFORMATION***

**GARRY PIERCE FINANCIAL SERVICES, LLP**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1 OF THE SECURITIES AND EXCHANGE**  
**ACT OF 1934**  
**DECEMBER 31, 2015**

	<u>Schedule I</u>
<b>NET CAPITAL</b>	
Total partner's equity from the statement of financial condition	\$ 68,799
Non-allowable assets	<u>(22,219)</u>
Net capital	<u>\$ 46,580</u>
 <b>COMPUTATION OF BASIC NET CAPITAL REQUIREMENTS</b>	
Minimum net capital required - higher of 6-2/3% times aggregate indebtedness or \$5,000	<u>\$ 5,000</u>
Excess net capital	<u>\$ 41,580</u>
Net capital less greater of 10% of total aggregate indebtedness or 120% of minimum net capital required	<u>\$ 40,580</u>
 <b>AGGREGATE INDEBTEDNESS</b>	
Total aggregate indebtedness included in the statement of financial condition	<u>\$ -</u>
Ratio of aggregate indebtedness to net capital	<u>.00 to 1</u>
 <b>RECONCILIATION WITH COMPANY'S COMPUTATION</b>	
Net capital per Part II of Form X-17A-5, as originally filed	\$ 46,580
Adjustments	<u>-</u>
	<u>\$ 46,580</u>
 Total aggregate indebtedness per Part II of Form X-17A-5, as originally filed	
Adjustments	<u>-</u>
	<u>\$ -</u>

Note: There are no material differences between the preceding computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of December 31, 2015.



4334 18th Avenue S.  
Ste 101  
Fargo, ND 58103-7414

Phone: 701.237.6022  
Toll Free: 888.237.6022  
Fax: 701.280.1495

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
ON REVIEW OF EXEMPTION REPORT

To the Partners  
Garry Pierce Financial Services, LLP  
Bismarck, North Dakota

We have reviewed management's statements, included in the accompanying Small Entity Exemption Report, in which (1) Garry Pierce Financial Services, LLP identified the following provisions of 17 C.F.R. §15c3-3(k) under which Garry Pierce Financial Services, LLP claimed an exemption from 17 C.F.R. §240.15c3-3: section (k)(2)(i) (the "exemption provisions") and (2) Garry Pierce Financial Services, LLP stated that Garry Pierce Financial Services, LLP met the identified exemption provisions throughout the most recent fiscal year without exception. Garry Pierce Financial Services, LLP'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 Garry Pierce Financial Services, LLP'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)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

A handwritten signature in black ink, appearing to read 'Widmer Roel'.

Fargo, North Dakota  
February 23, 2016

**GARRY PIERCE**  
**FINANCIAL SERVICES, LLP**  
member FINRA, SIPC  
1929 N. Washington Street, Suite H  
Bismarck, North Dakota 58501  
Tel. & Fax (701) 222-3017

SEC Headquarters  
100 F Street  
Washington, DC 20549

**SMALL ENTITY EXEMPTION REPORT**

From SEC Rule 15c3-3 for the period January 1, 2015 to December 31, 2015.

Garry Pierce Financial Services, LLP claims exemption from section (k)(2)(i) of SEC Rule 15c3-3:

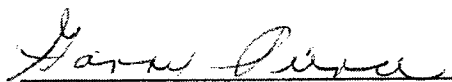
Garry Pierce Financial Services, LLP has always sold its investments on a subscription-only basis, and being a FINRA member (CRD 42141) clears all of its own business.

Garry Pierce Financial Services, LLP does not hold any customer funds or securities.

Garry Pierce Financial Services LLP does not deal in listed securities.

Garry Pierce Financial Services, LLP sells only non-traded REITS and mutual funds.

There are no exceptions to the above claimed exemptions for the period from January 1, 2015 to December 31, 2015.



Garry Pierce  
General Partner

01-20-2016  
Date