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

SEC FILE NUMBER
8-40282

MAR 01 2016

Washington DC

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 JANUARY 1, 2015 AND ENDING DECEMBER 31, 2015  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER DEALER: **GERWIN GROUP, INC.**

OFFICIAL USE ONLY
FIRM ID. NO.

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

**1575 E. HILLCREST DRIVE**

(No. and Street)

**THOUSAND OAKS**

**CALIFORNIA**

**91362**

(City)

(State)

(Zip Code)

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

**CHRISTOPHER GERWIN**

**(805) 494-5005**

(Area Code - Telephone No.)

**B. ACCOUNTANT DESIGNATION**

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

**OHAB AND COMPANY, PA**

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

**100 E. SYBELIA AVENUE, SUITE 130, MAITLAND**

**FLORIDA**

**32751**

(Address and 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 audit 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 required to respond unless the form displays a current valid OMB control number.

SD

AMB

OATH OR AFFIRMATION

I, CHRISTOPHER GERWIN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm or GERWIN GROUP, INC., 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:

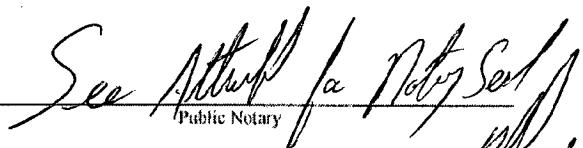
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature

**PRESIDENT**

Title

  
Public Notary



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 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 15c3-1.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

# CALIFORNIA JURAT CERTIFICATE

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

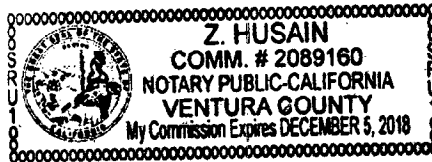
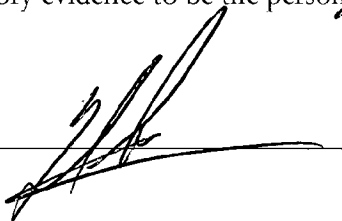
STATE OF CALIFORNIA  
COUNTY OF VENTURA \_\_\_\_\_

Subscribed and sworn to (or affirmed) before me on this 19<sup>th</sup> day of February 20 16 by  
DATE MONTH

CHRISTOPHER L. GERWIN and \_\_\_\_\_

\_\_\_\_\_, proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature of Notary Public



## OPTIONAL

### CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
- PARTNER(S)
- ATTORNEY IN FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

### DESCRIPTION OF ATTACHED DOCUMENTS

Annual Medical Report Form - X-12A  
TITLE OF DOCUMENT  
2  
PAGES  
2/19/16  
DATE

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

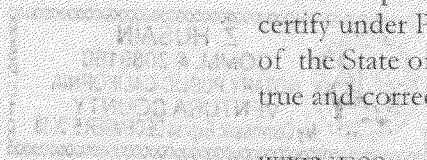
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

STATE OF CALIFORNIA  
COUNTY OF VENTURA \_\_\_\_\_

On \_\_\_\_\_ before me, **Z. Husain (Notary Public)**  
DATE NAME, TITLE OF OFFICER

Personally appeared \_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the person(s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.



WITNESS my hand and official seal,

\_\_\_\_\_  
*Notary Public*  
SIGNATURE OF NOTARY

## OPTIONAL

### CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
- PARTNER(S)
- ATTORNEY IN FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

### DESCRIPTION OF ATTACHED DOCUMENTS

\_\_\_\_\_  
TITLE OF DOCUMENT

\_\_\_\_\_  
PAGES

\_\_\_\_\_  
DATE

**GERWIN GROUP, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**GERWIN GROUP, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

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100 E. Sybelia Ave. Suite 130  
Maitland, FL 32751

Certified Public Accountants  
Email: [pam@ohabco.com](mailto:pam@ohabco.com)

Telephone 407-740-7311  
Fax 407-740-6441

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Management  
Gerwin Group, Inc.

We have audited the accompanying statement of financial condition of Gerwin Group Inc. as of December 31, 2015, and the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended. These financial statements are the responsibility of Gerwin Group Inc.'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 Gerwin Group, Inc. 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.

The Schedules I, II and III have been subjected to audit procedures performed in conjunction with the audit of Gerwin Group Inc.'s financial statements. The supplemental information is the responsibility of Gerwin Group 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 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 Schedules I, II and III are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Ohab and Company, P.A.*

Ohab and Company, PA  
Maitland, Florida  
February 21, 2016

GERWIN GROUP, INC.

STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2015

ASSETS

Assets:

Cash and cash equivalents	\$ 5,112
Certificate of deposit	6,567
Commissions receivable	<u>14,439</u>
	<u>\$ 26,118</u>

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:

Accounts payable and accrued liabilities	\$ 4,113
	<u>4,113</u>

Stockholder's equity:

Common stock, \$1 par value; 10,000 shares authorized, 10,000 issued and outstanding	10,000
Additional paid-in capital	71,605
Retained earnings (deficit)	<u>(59,600)</u>
	<u>22,005</u>
	<u>\$ 26,118</u>

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



**GERWIN GROUP, INC.**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Revenues:**

Insurance income	\$ 20,084
Other	60,157
<b>Total revenues</b>	<u>80,241</u>

**Expenses:**

Employee compensation	37,780
Regulatory fees and expenses	6,260
Telephone and communications	3,702
Other operating expenses	26,125
<b>Total expenses</b>	<u>73,867</u>

<b>Net income (loss)</b>	<u><u>\$ 6,374</u></u>
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The accompanying notes are an integral part of these financial statements.

GERWIN GROUP, INC.

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>Balances, December 31, 2014</b>	\$ 10,000	\$ 70,940	\$ (65,974)	\$ 14,966
Stockholder contribution	-	665	-	665
Net income (loss)	-	-	6,374	6,374
<b>Balances, December 31, 2015</b>	<u>\$ 10,000</u>	<u>\$ 71,605</u>	<u>\$ (59,600)</u>	<u>\$ 22,005</u>

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

**GERWIN GROUP, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**Cash flows from operating activities:**

Net income (loss)	\$ 6,374
Adjustments to reconcile net income to net cash flows from operating activities:	
(Increase) decrease in:	
Commissions receivable	(7,354)
Marketable securities	(10)
Increase (decrease) in:	
Employee advances	510
Accounts payable and accrued expenses	1,567
<b>Net cash provided in operating activities</b>	<u>1,087</u>

**Cash flows from financing activities:**

Stockholder contributions	<u>665</u>
<b>Net cash provided in financing activities</b>	<u>665</u>
Net increase in cash and cash equivalents	1,752
<b>Cash and cash equivalents at beginning of period</b>	<u>3,360</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 5,112</u></u>

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

GERWIN GROUP, INC.

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**Note 1 – Summary of Significant Accounting Policies**

*Nature of Business*

Gerwin Group, Inc. ("the Company") is a broker-dealer, registered with the Securities Exchange Commission ("SEC"), and a member of the Financial Industry Regulatory Authority ("FINRA"). The Company was formed in August 1988 in the state of California.

The Company primarily sells mutual funds, fixed and variable annuities and life insurance.

*Cash and Cash Equivalents*

For purposes of reporting the statement of cash flows, the Company considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash balances in excess of FDIC and similar insurance coverage are subject to the usual banking risks associated with funds in excess of those limits. At December 31, 2015, the Company had no uninsured cash balances.

*Revenue and Cost Recognition*

Revenue is recorded when commissions are earned and expenses are recorded as incurred. Securities transactions are recorded on a trade date basis.

*Estimates*

The preparation of financial statements in accordance 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 and revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Income Taxes*

The provision for income taxes is computed using the asset and liability method, under which deferred tax assets and liabilities are recognized for the expected future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective income tax bases, and operating loss and income tax credit carryforwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates expected to apply to taxable income in effect for the years in which those tax assets are expected to be realized or settled. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

The Company has adopted the provisions of FASB Accounting Standards Codification 740-10, Accounting for Uncertainty in Income Taxes. Under ASC 740-10, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a tax return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary. The shareholders and the Company are generally not subject to U.S. federal, state or local income tax examinations to the Company's activities for tax years before 2012.

**GERWIN GROUP, INC.**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015**

**Note 1 – Summary of Significant Accounting Policies (continued)**

*Fair Value of Financial Instruments*

All of the Company's financial assets and liabilities are carried at market value or at amounts, which, because of their short-term nature, approximate current fair value.

**Note 2 – 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 at amount equal to the greater of \$5,000 or 6 2/3% of aggregate indebtedness, and requires that the ratio of aggregate indebtedness to net capital not to exceed 15 to 1.

At December 31, 2015, the Company had excess net capital of \$8799 and a net capital rate of .30 to 1.

**Note 3 – Income Taxes**

At December 31, 2015, the Company had approximately \$(47,748) of net operating losses ("NOL") carry-forwards, which may be applied against future taxable income. These losses are available for future years and expire through 2032. Utilization of these losses may be severely or completely limited if the Company undergoes an ownership change pursuant to Internal Revenue Code Section 382.

The Company has taken a 100% valuation allowance against the deferred asset attributable to the NOL carry forwards of approximately \$( 47,748) at December 31, 2015, due to the uncertainty of realizing the future tax benefits.

**Note 4 - Related Party**

The Company conducts operations from the residence of its sole stockholder. There is no lease or sharing agreement, and the Company is currently not paying rent for the space it occupies.

**Note 5 – Concentrations of Credit Risk**

The Company is engaged in various trading and brokerage activities in which counter-parties 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 creditworthiness of the counter-party or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counter-party.

**Note 6 - Commitment and Contingencies**

The Company had no commitment and contingencies as of December 31, 2015.

**GERWIN GROUP, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

**Note 7 - Subsequent Events**

In accordance with the *Subsequent Events* Topic of the FASB Accounting Standards Codification No. 855 ("FASB ASC 855"), the Company has evaluated those events and transactions that occurred from January 1, 2016 through February 21, 2016, the date the financial statements were available to be issued. No material events or transactions have occurred during this period which would render these financial statements to be misleading.

**SCHEDULE I  
GERWIN GROUP, INC.**

**COMPUTATION OF NET CAPITAL PURSUANT TO SEC RULE 15c3-1 AND  
RECONCILIATION OF NET CAPITAL PURSUANT TO SEC RULE 17a-5(d)(4)  
AS OF DECEMBER 31, 2015**

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<b>Computation of basic net capital requirements:</b>	
Total member's equity qualified for net capital	\$ 22,005
Non-Allowable Assets:	
Commissions receivable	8,173
Net capital before haircuts and securities positions	13,832
Haircuts:	
Securities positions	33
Net capital	13,799
Minimum net capital requirements:	
6 2/3% of total aggregate indebtedness(\$4,113)	
Minimum dollar net capital for this broker-dealer (\$5,000)	
Net capital requirement (greater of above two requirements)	5,000
Excess net capital	\$ 8,799
 <b>Reconciliation with the Company's computation(included in Part II of Focus as of December 31, 2015</b>	
Net capital, as reported in the Company's Part II (unaudited) FOCUS report	12,860
Audit adjustments:	
Increase in commissions receivable	1,141
Increase in non-allowable asset	(40)
Increase in accounts payable and taxes payable	(162)
<b>Net Capital as reported in the preceding calculation</b>	<b>\$ 13,799</b>

**SCHEDULE II  
GERWIN GROUP, INC.**

**COMPUTATION OF AGGREGATE INDEBTEDNESS  
UNDER RULE 17a-5 OF THE SECURITIES AND EXCHANGE COMMISSIONS  
AS OF DECEMBER 31, 2015**

**Total aggregate indebtedness:**

Accounts payable and accrued liabilities	\$ <u>4,113</u>
Aggregate indebtedness	\$ <u>4,113</u>

Ratio of aggregate indebtedness to net capital	<u>.30 to 1</u>
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**SCHEDULE III  
GERWIN GROUP, INC.**

**INFORMATION RELATING TO EXEMPTIVE PROVISION  
REQUIREMENTS UNDER SEC RULE 15c3-3  
AS OF DECEMBER 31, 2015**

With respect to the Computation for Determination of Reserve Requirements under Rule 15c3-3, the Company qualifies for exemption under subparagraph (k) (2) (i) of the Rule.

With respect to the information Relating to Possession and Control Requirements under Rule 15c3-3, the Company qualifies for exemption under subparagraph (k) (2) (i) of the Rule.

# **Ohab and Company, P.A.**

100 E. Sybelia Ave. Suite 130  
Maitland, FL 32751

*Certified Public Accountants*  
Email: [pam@ohabco.com](mailto:pam@ohabco.com)

Telephone 407-740-7311  
Fax 407-740-6441

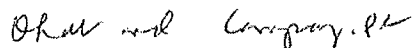
## Report of Independent Registered Public Accounting Firm

Board of Directors and Management  
Gerwin Group, Inc.

We have reviewed management's statements, included in the accompanying Gerwin Group, Inc. Exemption Report, in which (1) Gerwin Group, Inc. identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Gerwin Group, Inc. claimed an exemption from 17 C.F.R. § 240.15c3-3: (2)(i) (the "exemption provisions") and (2) Gerwin Group, Inc. stated that Gerwin Group, Inc. met the identified exemption provisions throughout the most recent fiscal year without exception. Gerwin Group, Inc.'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 Gerwin Group, Inc.'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.



Ohab and Company, PA  
Maitland, Florida  
February 21, 2016