

Statement of Financial Condition  
(Expressed in United States dollars)

**RAYMOND JAMES (USA) LTD.**

Year ended September 30, 2015

# RAYMOND JAMES (USA) LTD.

Statement of Financial Condition  
(Expressed in United States dollars)

September 30, 2015

---

	2015
<b>Assets</b>	
Cash and cash equivalents	\$ 4,856,848
Deposits in compliance with reserve requirements (note 4)	3,027,767
Client and broker receivables (note 6)	18,723,365
Due from related party (note 6)	228,870
Other assets	19,789
	<hr/>
	\$ 26,856,639

## Liabilities and Stockholder's Equity

Client and broker payables (note 6)	\$ 17,689,138
Other accounts payable	364,524
	<hr/>
	18,053,662
 Stockholder's equity:	
Capital stock (note 5)	1,045,000
Retained earnings	7,757,977
	<hr/>
	8,802,977
	<hr/>
	\$ 26,856,639

See accompanying notes to Statement of Financial Condition.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition

(Tabular amounts expressed in United States dollars, unless otherwise indicated)

Year ended September 30, 2015

---

## 1. Operations:

Raymond James (USA) Ltd. (the Company) is incorporated under the Canada Business Corporations Act. The Company was previously incorporated under the laws of the State of New York, United States of America, then merged with a newly incorporated Arizona company for purposes of continuance as an existing corporation under the Canada Business Corporations Act on September 15, 2006. The Company is a wholly owned subsidiary of Raymond James Ltd., a Canadian registered investment dealer and member of Investment Industry Regulatory Organization of Canada (IIROC), Canadian Investor Protection Fund, the Toronto Stock Exchange, TSX Venture Exchange, and the Montreal Exchange.

The Company is a broker-dealer registered with the United States Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA), and Securities Investor Protection Corporation. The Company is also a registered investment advisor with the SEC. While the Company accesses the Canadian securities markets, its clients are US and Canadian residents. The Company's primary business is institutional and its clients are US based institutions that wish to have access to the Canadian securities markets. This business is all delivery vs payment or receipt vs payment. The Company also has a retail business that is private client-wealth management and uses US-based Pershing LLC as its clearing broker on a fully disclosed basis. Segment information is presented in note 8.

## 2. Significant accounting policies:

### (a) Financial statement presentation:

The financial statements are presented in accordance with accounting principles generally accepted in United States of America.

### (b) Securities transactions:

The Company records its agency securities transactions on a trade date basis.

### (c) Income taxes:

The Company follows the asset and liability method in accounting for income taxes which requires the recording of deferred assets and liabilities to recognize the expected future tax consequences of events that have been reflected in the Company's financial statements or tax returns and the adjustment of deferred tax balances to reflect tax rate changes. As at September 30, 2015, the Company's tax basis in its assets and liabilities was equal to its financial statement basis amounts for such assets and liabilities.

### (d) Cash and cash equivalents:

Cash equivalents are investments that mature in 90 days or less, when acquired, and are readily convertible into known amounts of cash.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition

(Tabular amounts expressed in United States dollars, unless otherwise indicated)

Year ended September 30, 2015

---

## 2. Significant accounting policies (continued):

### (e) Financial instruments:

The fair value of cash and cash equivalents, deposits in compliance with reserve requirements, clients and broker receivables, due from related party, client and broker payables and other accounts payable approximate their fair value due to the short-term maturities of these instruments.

### (f) Use of estimates:

The preparation of financial statements 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 period. Actual results could differ from those estimates.

## 3. New accounting pronouncements:

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which creates a new Topic Accounting Standards Codification (Topic 606). The standard is principle-based and provides a five-step model to determine when and how revenue is recognized. The core principle is that a company should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. This standard is effective for interim or annual periods beginning after December 15, 2016 and allows for either full retrospective or modified retrospective adoption. Early adoption of this standard is not allowed. We are currently evaluating the impact of the adoption of Topic 606 will have on our financial statements.

## 4. Deposits in compliance with reserve requirements:

The deposit of \$3,027,767 cash at September 30, 2015 is held in compliance with reserve requirements. The minimum amount (which fluctuates) required to be held on deposit under the reserve computation is \$3,158, and is restricted.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition

(Tabular amounts expressed in United States dollars, unless otherwise indicated)

Year ended September 30, 2015

---

## 5. Capital stock:

---

	2015
Authorized:	
200 Voting common shares without par value	
Issued:	
200 Common shares	\$ 1,045,000

---

## 6. Related party transactions:

Pursuant to an agreement dated March 1, 2008, between the Company and its parent Raymond James Ltd. (RJL), all securities and cash settlements with institutional clients, accounting, record keeping and regulatory processing and reporting services are provided to the Company by RJL. In consideration for these services, RJL receives 50% of all gross commissions and other fees earned with respect to trades conducted for institutional clients of Raymond James (USA) Ltd. In addition, Raymond James (USA) Ltd. is responsible for all direct expenses and is allocated operating expenses from RJL based on proportionate use. Fees are reviewed annually for reasonableness and consistent application.

As at September 30, 2015, the Company has \$228,870 receivable from RJL. In addition, clients and brokers receivable include amounts due from RJL of nil and clients and brokers payable include amounts due to RJL of \$13,504,272.

## 7. Net capital requirement:

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule which requires that the minimum net capital shall be the greater of \$250,000 or 2% aggregate debit items pursuant to Rule 15c3-3. At September 30, 2015, the Company had net capital pursuant to Rule 15c3-1 of \$8,497,849 which was \$8,247,849 in excess of its net capital requirement of \$250,000.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition

(Tabular amounts expressed in United States dollars, unless otherwise indicated)

Year ended September 30, 2015

---

## 8. Segment information:

The Company currently operates through two business segments: Private Client Group and Capital Markets. The business segments are determined based upon factors such as the services provided and the distribution channels served, and the financial results of the Company's segments are presented using the same policies as described in note 2. Segment results include charges allocating corporate overhead and benefits to each segment.

The Private Client Group segment includes the retail branches located throughout Canada. These branches provide securities brokerage services including the sale of equities, mutual funds and fixed income products to their individual clients. The Capital Markets segment includes institutional sales and trading in Canada to US resident institutions. We provide securities brokerage, trading and research services to institutions with an emphasis on the sale of U.S. and Canadian equities and fixed income products.

Total assets by segment:

---

	2015
Capital Markets	\$ 25,859,610
Private Client Group	997,029
	<hr/> \$ 26,856,639 <hr/>

## 9. Liabilities subordinated to the claims of general creditors:

As at and during the year ended September 30, 2015, the Company had no liabilities which were subordinated to the claims of general creditors.

## 10. Subsequent events:

Management has evaluated subsequent events through November 23, 2015, the date the financial statements were available to be issued. There were no subsequent events requiring adjustments to, or disclosures in, the financial statements.

# RAYMOND JAMES (USA) LTD.

Computation of Net Capital Pursuant to SEC Rule 15c3-1  
(Expressed in United States dollars)

Schedule I

Year ended September 30, 2015

	2015
Total capital:	
Total ownership equity	\$ 8,802,977
Deductions:	
Non-allowable assets:	
Due from related party	228,870
Other deductions	76,258
Total deductions	305,128
Net capital	8,497,849
Minimum net capital required	250,000
Excess net capital	\$ 8,247,849

The 2015 computation does not differ materially from the regulatory computation filed on its Focus II.

# RAYMOND JAMES (USA) LTD.

Computation for Determination of Reserve Requirements and Information Related  
to the Possession or Control Requirements Pursuant to SEC Rule 15c3-3  
(Expressed in United States dollars)

Schedule II

Year ended September 30, 2015

---

As at September 30, 2015, the Company is subject to the reserve requirements under Rule 15c3-3 of the Securities Exchange Act of 1934. Under Rule 15c3-3, the excess of total credits over total debits was \$3,158. Therefore, the minimum reserve required under 15c3-3 as at September 30, 2015 is \$3,158. As at September 30, 2015, the Company had \$3,027,767 in cash on deposit in compliance with reserve requirements.

The above computation does not differ materially from the computation the Company filed on its Focus II.

As at September 30, 2015 the Company is subject to the possession or control requirements pursuant to SEC Rule 15c3-3. Under Rule 15c3-3, as at September 30, 2015, the Company did not have any security positions required to be in possession or control, or required to be in possession or control that had not been reduced to possession or control in the proper time frame.