

**AMA SECURITIES, LLC**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders  
of AMA Securities LLC

### Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of AMA Securities LLC as of December 31, 2022, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of AMA Securities LLC as of December 31, 2022 in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

This financial statement is the responsibility of AMA Securities LLC's management. Our responsibility is to express an opinion on AMA Securities LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to AMA Securities LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as AMA Securities LLC's auditor since 2019.

*Reid CPAs, LLP*

Woodbury, NY  
February 27, 2023

**AMA SECURITIES, LLC**  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2022

**ASSETS**

Cash	\$ 102,812
Other assets	<u>1,544</u>
Total assets	<u>\$ 104,356</u>

**LIABILITIES AND MEMBER'S EQUITY**

**Liabilities:**

Accounts payable and accrued expenses	\$ <u>51,166</u>
Total liabilities	<u>51,166</u>

**Member's Equity:**

Total member's equity	<u>53,190</u>
Total liabilities and member's equity	<u>\$ 104,356</u>

**AMA SECURITIES, LLC**  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2022

**Note 1 - Nature of Business**

AMA Securities, LLC ("the Company") is a broker/dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company is wholly owned by AMA CP Holdings LLC ("Holdings").

The Company provides investment advice and issues fairness opinions for companies in the transportation and energy industries.

**Note 2 - Summary of Significant Accounting Policies**

**a) *Basis of Presentation***

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

**b) *Revenue Recognition***

Effective January 1, 2018, the Company adopted ASC Topic 606, Revenue from Contracts with Customers ("ASC Topic 606"). The new revenue recognition guidance requires that an entity recognize revenue due to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved. The Company applied the modified retrospective method of adoption which resulted in no adjustment to member's equity as of January 1, 2018. The new revenue recognition guidance does not apply to revenue associated with financial instruments, interest income and expense, leasing and insurance contracts.

**AMA SECURITIES, LLC**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 2 - Summary of Significant Accounting Policies (continued)**

The Company provides advisory services on mergers and acquisitions (M&A). Revenue for advisory arrangements is generally recognized at the point in time that performance under the arrangement is completed (the closing date of the or the contract is cancelled. However, for certain contracts, revenue is recognized over time for advisory arrangements in which the performance obligations are simultaneously provided by the Company and consumed by the customer. In some circumstances, significant judgment is needed to determine the timing and measure of progress appropriate for revenue recognition under a specific contract. Retainers and other fees received from customers prior to recognizing revenue are reflected as contract liabilities (deferred revenue in the accompanying statement of financial condition).

*c) Use of Estimates*

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") which 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 amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

*d) Income Taxes*

The Company is a limited liability company and treated as a disregarded entity for federal and state income tax purposes. As such, it does not pay any taxes. The Company's income or loss is taken into consideration in the tax returns of the members of Holdings for federal and state income tax purposes.

**Note 3 - Revenue**

Fee income earned by the Company from one client amounted to \$75,000 for the year ended December 31, 2022.

*Revenue consists of the following:*

<u>Revenue Item Breakdown</u>	<u>Amount</u>	<u>Timing of Recognition</u>
Fairness Opinion	\$75,000	When Earned

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**Note 4-        Related Party Transactions**

Pursuant to the terms of an agreement with Holdings, the Company shall pay \$2,000 per month to meet certain of its operating expenses including rent, telephone, and utilities. The Company paid \$24,000 to Holdings during 2022.

**Note 5 -       Net Capital Requirement**

The Company is subject to the Securities and Exchange Commission's Net Capital 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 1,500%. At December 31, 2022, the Company's net capital of \$51,646 was \$1,646 in excess of its required net capital of \$50,000. The ratio of aggregate indebtedness to net capital was 99.07%.

**Note 6 -       Compliance with Rule 15c3-3**

The Company has no possession or control obligations under SEA Rule 15c3-3(b) or reserve deposit obligations under SEA Rule 15c3-3(e) because its business is limited to private placements of securities and investment advisory services.

**Note 7 -       Subsequent Events**

The Company has performed an evaluation of events that have occurred subsequent to December 31, 2022 and through February 22, 2023, the date of the filing of this report. There have been no material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the financial statements as of December 31, 2022.