

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

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

SEC FILE NUMBER
8-68962

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 1/1/2016 AND ENDING 12/31/2016  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Dynasty Securities, LLC

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

OFFICIAL USE ONLY
FIRM I.D. NO.

1350 Avenue of the Americas, 32nd Floor  
(No. and Street)  
New York NY 10019  
(City) (State) (Zip Code)

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

Jeffrey A. Lang 212-373-1096  
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Sobel & Co, LLC  
(Name - if individual, state last, first, middle name)  
293 Eisenhower Parkway, Suite 290 Livingston, NJ 07039  
(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 240.17a-5(e)(2).

# OATH OR AFFIRMATION

I, Jeffrey A. Lang, swear (or affirm) that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of Dynasty Securities, LLC, as of December 31, 2016, 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:

Subscribed and sworn to before me this 1st day of March 2017

Jeffrey A. Lang  
Signature  
Chief Compliance Officer  
Title

[Signature]  
Notary Public



This report\* contains (check all applicable boxes):

- ☒ (a) Facing page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Cash Flows
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors.
- ☒ (g) Computation of net capital for brokers and dealers pursuant to Rule 15c3-1.
- ☒ (h) Computation for determination of reserve requirements pursuant to Rule 15c3-3.
- ☒ (i) Information relating to the possession or control requirements for brokers and dealers 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 Securities Investor Protection Corporation (SIPC) supplemental report.
- ☒ (n) Exemption Report

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



**SOBEL & CO. LLC**

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

293 Eisenhower Parkway  
Livingston, NJ 07039-1711  
Office: 973.994.9494  
Fax: 973.994.1571  
www.sobel-cpa.com

**REPORT OF INDEPENDENT REGISTERED  
PUBLIC ACCOUNTING FIRM**

To the Member  
Dynasty Securities, LLC  
New York, New York

We have audited the accompanying statement of financial condition of Dynasty Securities, LLC as of December 31, 2016, and the related statements of income, changes in member's equity, and cash flows for the year then ended. These financial statements are the responsibility of Dynasty Securities, LLC'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 Dynasty Securities, LLC as of December 31, 2016, 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.

  
Certified Public Accountants

Livingston, New Jersey  
March 1, 2017

DYNASTY SECURITIES, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2016

ASSETS

Cash	\$ 608,799
Accrued Revenue	39,111
<b>TOTAL ASSETS</b>	<b>\$ 647,910</b>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES

Due to Dynasty Financial Partners LLC	\$ 474,126
Accounts Payable and Accrued Expenses	3,011
<b>TOTAL LIABILITIES</b>	<b>\$ 477,137</b>

COMMITMENTS AND CONTINGENCIES

MEMBER'S EQUITY

	170,773
<b>TOTAL LIABILITIES AND MEMBER'S EQUITY</b>	<b>\$ 647,910</b>

DYNASTY SECURITIES, LLC

STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2016

Revenues

Referral Fees	\$	302,477
TOTAL REVENUES		302,477

Expenses

Employee Compensation and Benefits	32,885
Professional Fees	171,649
Occupancy Costs	30,991
Travel	11,909
Marketing	1,378
Meals and entertainment	5,395
Other	4,035
<b>TOTAL EXPENSES</b>	<b>258,242</b>
<b>NET INCOME</b>	<b>\$ 44,235</b>

DYNASTY SECURITIES, LLC

STATEMENT OF CHANGES IN MEMBERS' EQUITY

Balance, January 1, 2016	\$	126,538
Net Income		44,235
Balance, December 31, 2016	\$	170,773

DYNASTY SECURITIES, LLC

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2016

Cash flows from operating activities	
Net income	\$ 44,235
Adjustments to reconcile net income to net cash provided by operating activities	
Changes in assets and liabilities	
Accrued Revenue & Other Assets	(38,853)
Due to Dynasty Financial Partners, LLC	225,942
Accounts payable and accrued expenses	(5,691)
Net cash provided by operating activities	225,633
Cash flows from financing activities	
Capital Contribution	0
Net cash provided by financing activities	0
Net increase in cash	225,633
Cash, beginning of year	383,166
Cash, end of year	\$ 608,799

See notes to financial statements



**DYNASTY SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

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**NOTE 1 - ORGANIZATION AND SUMMARY OF  
SIGNIFICANT ACCOUNTING POLICIES:**

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*Organization:*

Dynasty Securities, LLC (the "Company") was formed on August 16, 2011, in the state of New York. On March 21, 2013, the Securities and Exchange Commission accepted the Company's application for registration as a broker or dealer pursuant to Section 15(b) of the Securities Exchange Act of 1934. In addition, on March 21, 2013, the Financial Industry Regulatory Authority, Inc. ("FINRA") accepted the Company's membership application. The Company is headquartered in New York, New York. The Company is registered with the Securities and Exchange Commission ("SEC"). The Company is also a member of the Securities Investor Protection Corporation ("SIPC").

*Basis of Accounting:*

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

*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 amount of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Revenue Recognition:*

Referral Fees received from unrelated third parties are the primary sources of revenue for the Company. The Company obtains certain administrative and other services from the unrelated third parties who is also a broker-dealer and FINRA member. The unrelated third parties have and are willing to continue to furnish or make such services available to Dynasty Securities. The unrelated third parties will provide or otherwise make available to Dynasty Securities those services and other third-party services. In accordance with its usual and customary practices the unrelated third parties shall make deductions for the services from commissions payable to the Company and shall itemize each deduction by the service provided.

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**DYNASTY SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

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

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*Income Taxes:*

The Company is treated as a partnership for federal and state income tax purposes; therefore, the taxable income or loss from the Company's operation is allocated to the Company's members.

The Company follows accounting standards that provide clarification on accounting for uncertainty in income taxes recognized in the Company's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on de-recognition, classification, interest and penalties, disclosure and transition. At December 31, 2016, there are no significant income tax uncertainties that are expected to have a material impact on the Company's 2016 financial statements. No interest or penalties were incurred for the period January 1, 2016 to December 31, 2016.

*Subsequent Events:*

The Company has evaluated its subsequent events and transactions occurring after December 31, 2016 through March 1, 2017, the date that the financial statements were available to be issued.

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**NOTE 2 - NET CAPITAL REQUIREMENTS:**

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The Company is subject to the Securities and Exchange Commission 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).

At December 31, 2016, the Company's net capital is as follows:

Net capital	\$ 131,662
Net capital requirement	<u>\$ 31,809</u>
Excess Net Capital	<u>\$ 99,853</u>
Aggregate indebtedness to net capital	<u>362.40%</u>

**DYNASTY SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2016**

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**NOTE 2 - NET CAPITAL REQUIREMENTS: (Continued)**

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The Company is not required to furnish the "computation of reserve requirements" under rule 15c3-3 of the Securities and Exchange Commission due to the fact that it qualifies for, and complies with the exemptive provision k(2)(i) of rule 15c3-3. This provision exempts brokers or dealers who do not hold funds or securities, or owe money or securities to customers, from having to furnish the "computation of reserve requirements."

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**NOTE 3 - RELATED PARTY TRANSACTIONS:**

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Dynasty Financial Partners, LLC, a related party through common ownership has an expense sharing agreement. Expenses included in this agreement are paid by the affiliate and reimbursed by Dynasty Securities, LLC for the year ended December 31, 2016, Dynasty Securities owes Dynasty Financial Partners, LLC \$474,126 for these services.



**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING  
FIRM ON SUPPLEMENTARY INFORMATION REQUIRED BY RULE  
17a-5 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

To the Member  
Dynasty Securities, LLC  
New York, New York

We have audited the financial statements of Dynasty Securities, LLC as of and for the year ended December 31, 2016, and have issued our report thereon dated March 1, 2017, which contains an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission contained on page 10, has been subjected to audit procedures performed in conjunction with the audit of Dynasty Securities, LLC's financial statements. The supplementary information is the responsibility of Dynasty Securities, LLC's management. Our audit procedures included determining whether the supplementary 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 supplementary information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission is fairly stated, in all material respects, in relation to the financial statements as a whole.

  
Certified Public Accountants

Livingston, New Jersey  
March 1, 2017

DYNASTY SECURITIES, LLC

SCHEDULE I

COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF  
THE SECURITIES AND EXCHANGE COMMISSION

AS OF DECEMBER 31, 2016

Computation of net capital	
Total member's equity	\$ 170,773
Deductions and/or charges	
Aged receivables and other assets	\$ (39,111)
Net capital	\$ 131,662
Computation of aggregate indebtedness	
Due to Dynasty Financial Partners, LLC	\$ 474,126
Accounts payable	\$ 3,011
Aggregate indebtedness	\$ 477,137
Computation of basic net capital requirement	
Minimum net capital required (6.67% of aggregate indebtedness)	\$ 31,809
Minimum dollar requirement	5,000
Net capital requirement (greater of minimum net capital	
or dollar requirement)	\$ 31,809
Excess net capital	\$ 99,853
Net capital less 10% of aggregate indebtedness	\$ 83,948
Ratio: Aggregate indebtedness to net capital	3.62 to 1

RECONCILIATION WITH COMPANY'S COMPUTATION

Included import to Iia-form X-17a-5, as of December 31, 2016

Net Capital as reported in company (unaudited)

Focus Report Part Iia: \$111,662

Net Audit Adjustments: \$20,000

Net Capital per above: \$131,662

See report of independent registered public accounting firm.



**SOBEL & CO. LLC**

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING  
FIRM ON SUPPLEMENTARY INFORMATION REQUIRED BY RULE  
17a-5 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

To the Member  
Dynasty Securities, LLC  
New York, New York

We have audited the financial statements of Dynasty Securities, LLC as of and for the year ended December 31, 2016, and have issued our report thereon dated March 1, 2017, which contains an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission contained on page 10, has been subjected to audit procedures performed in conjunction with the audit of Dynasty Securities, LLC's financial statements. The supplementary information is the responsibility of Dynasty Securities, LLC's management. Our audit procedures included determining whether the supplementary 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 supplementary information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, including its form and content, is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission is fairly stated, in all material respects, in relation to the financial statements as a whole.

  
Certified Public Accountants

Livingston, New Jersey  
March 1, 2017

STATEMENT OF EXEMPTION FROM SEC RULE 15c3-3

Dynasty Securities LLC, ("the Company") to the best of my knowledge and belief, hereby certifies as follows:

1. The Company does not carry securities accounts for customers or perform custodial functions relating to customer securities.
2. As a consequence, the Company is exempt from Rule 15c3-3 pursuant to Rule 15c3-3(k)(2)(i).
3. The Company met this exemption during the entire calendar year ending December 31, 2016 without exception.

Dynasty Securities, LLC

I, Jeffrey A. Lang, affirm that, to the best of my knowledge and belief, this Exemption Report is true and accurate.

By   
Title: Chief Compliance Officer

March 01, 2017