

# Ceres Securities LLC

Financial Statements as of and for  
the Year Ended December 31, 2019

**Ceres Securities LLC**  
**Statement of Financial Condition**  
**For the Period Ended December 31, 2019**

**ASSETS**

Cash and cash equivalents	\$ 41,209
Receivable from brokers or dealers	-
Property and equipment, net	-
Goodwill and intangible assets, net	-
Other assets	-
<b>TOTAL ASSETS</b>	<b>\$ 41,209</b>

**LIABILITIES & EQUITY**

**Liabilities**

Accounts payable	\$ -
Accrued compensation and commissions payable	-
Accrued interest	-
Accrued management fees	-
Accrued real estate taxes	-
Other liabilities	-
<b>Total Liabilities</b>	<b>-</b>

**Equity**

Members equity	100
Additional paid in capital	2,174,976
Retained Earnings	(2,133,867)
<b>Total Equity</b>	<b>41,209</b>

**TOTAL LIABILITIES & EQUITY**

<b>\$ 41,209</b>
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# **Ceres Securities, LLC**

## **Notes to Statement of Financial Condition**

**For the Period Ended December 31, 2019**

### **General and Summary of Significant Account Policies**

#### **Description of Business**

Ceres Securities LLC (the "Firm") is a Limited Liability Company formed on May 20<sup>th</sup>, 2015 with the Secretary of State in Delaware. The firm is wholly owned subsidiary of Ceres Partners LLC, the sole member. Ceres Partners makes capital contributions to the firm, and in addition, has an expense sharing agreement to cover operating expenses such as rent and utilities. The Office of Supervisory Jurisdiction is located at 806 Howard Street, Ste 200 in South Bend, Indiana.

The firm is a registered broker dealer with the Securities Exchange Commission (SEC) and a member of FINRA. Steve Cardinal serves as the Firms President, Managing Director, General Securities Principal, Chief Compliance Officer, and FinOP. Barbara Keady supervises the Hingham, MA branch.

The Firm serves as a Placement Agent to the single issuer fund, Ceres Farms, LLC. Ceres Securities and the fund only engage with sophisticated and accredited investors.

#### **Basis of Presentation**

The statement of financial condition is prepared in accordance with accounting principals generally accepted in the United States of America.

#### **Cash and Cash Equivalents**

The firm holds multiple deposit accounts that are immediately liquid.

#### **Income Taxes**

The firm has a single member LLC, and as such, is not responsible for income tax. Income or loss attributed to the Firm is passed through the sole member in accordance with FASB topic 740.

#### **Regulatory Requirements**

Ceres Securities does not handle investor funds or securities. It relies on the Exemption from SEC Rule 15c3-3(k)(2)(i). Ceres Securities LLC meets or exceeds Net Capital Requirements for all periods within the reporting period. Excess Net Capital has been sufficient to allow expansion and/or changes to the Firm.

No material difference exists between the financial statement computations of Net Capital and the computations included in the companies corresponding form X-17a-5 PART IIa filing as of December 31<sup>st</sup>, 2019.

#### **Subsequent Events**

Management has reviewed subsequent events and found that there are no material subsequent events that would require recognition or disclosure in the notes to the financial condition.

**Ceres Securities LLC**  
**Statement of Income**  
**For the Period Ended December 31, 2019**

**Income**

Sales income	\$ 114,303
<b>Total income</b>	<b><u>114,303</u></b>

**Operating expenses**

Salaries and wages	328,431
Sales commissions	70,001
Payroll taxes	271,288
Employee benefits	-
Travel, meals and entertainment	36,081
<b>Total operating expenses</b>	<b><u>705,801</u></b>

**Other expenses**

Legal and accounting	6,881
Marketing	6,000
Rent	35,064
Telephone	348
Utilities	168
Insurance	2,172
Regulatory fees	16,954
<b>Total other expenses</b>	<b><u>67,586</u></b>

**Total expenses**

**773,387**

**Net income (loss)**

**\$ (659,084)**

**Ceres Securities LLC**  
**Statement of Cash Flows**  
**For the Period Ended December 31, 2019**

<b>Net income from operations</b>	<b>\$ (659,084)</b>
Add back non-cash expenses:	
Depreciation and mmortization	-
Net cash flow from operations	<u>(659,084)</u>
<b>Sources (uses) of cash:</b>	
Accounts receivable	-
Liabilities	-
Other assets	-
Total sources (uses) of cash	<u>-</u>
<b>Net cash flow from operating activities</b>	<b><u>(659,084)</u></b>
<b>Cash flow from investing activities:</b>	
Fixed Assets (Addition) Disposition	-
<b>Net cash flow from investing acitivities</b>	<b><u>-</u></b>
<b>Cash flow from financing activities:</b>	
Loan proceeds	-
Principle payments on notes	-
Capital stock	-
Paid-in capital	619,723
Dividends paid	-
Retained earnings	-
<b>Net cash flow from financing activities</b>	<b><u>619,723</u></b>
<b>Net increase (decrease) in cash</b>	<b><u>(39,361)</u></b>
Cash at beginning of period	80,570
<b>Cash and equivalents at end of period</b>	<b><u>\$ 41,209</u></b>

**Ceres Securities LLC**  
**Statement of Changes in Equity**  
**For the Period Ended December 31, 2019**

	Members equity	Additional paid- in capital	Retained earnings	Total
Balance at January 1, 2019	\$ 100	\$ 1,555,253	\$ (1,474,783)	\$ 80,570
Net income (loss) for the period	-	-	(659,084)	(659,084)
Capital contributions	-	584,143	-	584,143
Members shared expenses agreement	-	35,580	-	35,580
Balance at December 31, 2019	\$ 100	\$ 2,174,976	\$ (2,133,867)	\$ 41,209

**Ceres Securities LLC**  
**Statement of Changes in Liabilities**  
**Subordinated to Claims of General Creditors**  
**For the Period Ended December 31, 2018**

Balance at January 1, 2018	-
Additions	-
Deductions	-
Balance at December 31, 2018	<u>-</u>

**Ceres Securities LLC**  
**Computation of Net Capital**  
**Computation for Determination of Reserve Requirements**  
**Reconcilement of of Computation of NC and Determination of RR**  
**For the Period Ended December 31, 2019**

Computation of Net Capital

Total Assets	\$ 41,209
Less Illiquid Assets	\$ -
Less NonAllowable Assets	\$ -
Total Liabilities	\$ -
Net Capital	<u>\$ 41,209</u>

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Computation for Determination of Reserve  
Requirements

Limited Broker (Agent)	\$ 5,000
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Net Capital Requirement for Ceres Securities LLC	<u>\$ 5,000</u>
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Reconcilement of of Computation of Net  
Capital

Calculated Net Capital	\$ 41,209
Less Net Capital Requirement for Ceres Securities	\$ 5,000
Excess Net Capital for Ceres Securities LLC	<u>\$ 36,209</u>

Footnotes:

No material differences exists between the financial statement computations of Net Capital and the computations included in the companies coresponding form X-17A-5 PART IIA filing as of December 31st, 2019.



# Ceres Securities, LLC

## Exemption Report

Pursuant to Rule 17a-5 under the Securities Exchange Act of 1934

December 31, 2019

Ceres Securities, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Company states the following:

1. The Company claimed an exemption from 17 C.F.R. §240.15c3-3 under the following provisions of 17 C.F.R. §240.15c3-3(k)(1).
2. The Company met the identified exemption provisions in 17 C.F.R. §240.15c3-3(k)(1) throughout the most recent fiscal year without exception.

I, Steven Cardinal certify that, To the best of my knowledge and belief, this Exemption Report is true and correct.

Dated January 22, 2020



Name: Steven L Cardinal

Title: Pres / CFO / CCO

## Duly Authorized Officer Affirmation

Pursuant to Rule 17a-5 under the Securities Exchange Act of 1934

December 31<sup>st</sup>, 2019

Ceres Securities, LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. § 240.17a-5, "Reports to be made by certain brokers and dealers"). Pursuant to 17 C.F.R. § 240.17a-5(e)(1)(A), the Company is exempt from the requirement to engage an independent public accountant to provide reports required under 17 C.F.R. § 240.17a-5(d)(1)(i)(C).

This Duly Authorized Officer Affirmation was prepared as required by under 17 C.F.R. § 240.17a-5(e)(1) and (2). To the best of its knowledge and belief, the Company states the following:

The financial report is true and correct.

Neither the broker or dealer, nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as customer.

Dated January 22<sup>nd</sup>, 2020


A handwritten signature in black ink, reading "Steven L Cardinal", written over a horizontal line.

Name: Steven L Cardinal

Title: President CFO/CCO

**Ceres Securities, LLC**  
**Report for Material Inadequacies**  
**For the Period Ended December 31, 2019**

CCO / CFO Attestation: Ceres Securities LLC has met all firm requirements for financial and reserve requirements during 2019.

  
Steven L Cardinal CFO / CCO

**SIPC-7**

(36-REV 12/18)

SECURITIES INVESTOR PROTECTION CORPORATION  
P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation****SIPC-7**

(36-REV 12/18)

For the fiscal year ended **12/31/2019**

(Read carefully the instructions in your Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

10\*10\*\*\*\*\*1948\*\*\*\*\*MIXED AADC 220  
69637 FINRA DEC  
CERES SECURITIES LLC  
806 HOWARD ST STE 200  
SOUTH BEND, IN 46617

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

2. A. General Assessment (item 2e from page 2) \$ 171.45
- B. Less payment made with SIPC-6 filed (exclude interest) ( - )
- C. Less prior overpayment applied ( - )
- D. Assessment balance due or (overpayment) 171.45
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum -
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 171.45
- G. PAYMENT: ☒ the box  
Check mailed to P.O. Box ☒ Funds Wired ☐ ACH ☐  
Total (must be same as F above) \$ 171.45
- H. Overpayment carried forward \$( 0 )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

CERE SECURITIES, LLC  
(Name of Corporation, Partnership or other organization)

Steven L. Cardinal  
(Authorized Signature)

PRES / CFO / CCO  
(Title)

Dated the 22<sup>nd</sup> day of JANUARY, 2020.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**

Dates:

Postmarked

Received

Reviewed

Calculations

Documentation

Forward Copy

Exceptions:

Disposition of exceptions:

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning **1/1/2019**  
and ending **12/31/2019**

Eliminate cents

**Item No.**

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 114,303

**2b. Additions:**

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

**2c. Deductions:**

- (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.
- (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

(Deductions in excess of \$100,000 require documentation)

- (9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ 0

- (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ 0

Enter the greater of line (i) or (ii)

Total deductions

2d. SIPC Net Operating Revenues

\$ 114,303

2e. General Assessment @ .0015

\$ 171.45  
(to page 1, line 2.A.)