

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

ANNUAL
REPORTS
FORM X-17A-5
PART III

OMB APPROVAL
OMB Number: 3235-0123
Expires: Nov. 30, 2026
Estimated average burden hours per response: 12
SEC FILE NUMBER
8- 69740

FACING PAGE

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/23 AND ENDING 12/31/23
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: CRB Securities, L.L.C.

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

2115 Linwood Avenue

(No. and Street)

Fort Lee

NJ

07024

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Shari Rothenberg

(908) 743-1307

srothenberg@integrated.solutions

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Deloitte & Touche LLP

(Name – if individual, state last, first, and middle name)

30 Rockefeller Plaza

New York

NY

10112

(Address)

(City)

(State)

(Zip Code)

10/20/2003

34

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

AFFIRMATION

I, Christopher Kelm, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to CRB Securities, L.L.C. as of 12/31/23, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



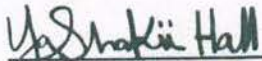
Signature

CCO/Acting CEO

Title

State of Florida

County of Hillsborough


Notary Public

Florida

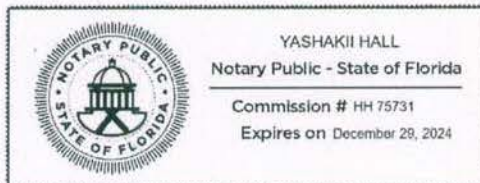
Yashakii Hall

Online Notary

The foregoing instrument was acknowledged before me by means of ☐ physical presence

☒ online notarization, this 5th day of March, 20 24, by

Christopher T Kelm



Pennsylvania DRIVER LICENSE

Notarized remotely online using communication technology via Proof.

This filing contains (check all applicable boxes):**

- ☒ (a) Statement of financial condition.
- ☒ (b) Notes to unconsolidated or consolidated statement of financial condition, as applicable.
- ☐ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☐ (d) Statement of cash flows.
- ☐ (e) Statement of changes in stockholders' or partners' or members' or sole proprietor's equity, as applicable.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☐ (g) Notes to unconsolidated or consolidated financial statements, as applicable.
- ☐ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☐ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☐ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☐ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☐ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: _____

***To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.*

CRB Securities, L.L.C.

(a wholly owned subsidiary of CRB Group, Inc.)

Statement of Financial Condition December 31, 2023



Deloitte & Touche LLP
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New York, NY 10112
USA

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Fax: +1 212 489 1687
www.deloitte.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Sole Member of CRB Securities, L.L.C.:

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of CRB Securities, L.L.C. (the "Company") as of December 31, 2023, and the related notes (collectively referred to as the "financial statement"). In our opinion, the financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this 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 the Company 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 statement. 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 statement. We believe that our audit of the financial statement provides a reasonable basis for our opinion.

March 5, 2024

We have served as the Company's auditor since 2018.

CRB Securities, L.L.C.
(a wholly owned subsidiary of CRB Group, Inc.)

Statement of Financial Condition
December 31, 2023

Assets

Cash and cash equivalents	\$ 2,951,056
Receivable from brokers	203,884
Employee advance	100,000
Prepaid expenses and other assets	<u>32,729</u>
Total assets	<u>\$ 3,287,669</u>

Liabilities and Member's Equity

Liabilities:

Accrued expenses and other liabilities	\$ 130,406
Due to affiliate	<u>53,531</u>
Total liabilities	183,937

Member's equity

	<u>3,103,732</u>
Total liabilities and member's equity	<u>\$ 3,287,669</u>

The accompanying notes are an integral part of this financial statement.

CRB Securities, L.L.C.
(a wholly owned subsidiary of CRB Group, Inc.)

Notes to Statement of Financial Condition
As of December 31, 2023

1. Organization and Business

CRB Securities, L.L.C. (the "Company"), a wholly owned subsidiary of CRB Group, Inc. (the "Parent" or the "Member") and affiliate of Cross River Bank (the "Affiliate" or the "Bank"), is a limited liability company and formed under the laws of the State of New Jersey. The Company is a broker-dealer registered with the Securities and Exchange Commission (the "SEC") and a member of the Financial Industry Regulatory Authority ("FINRA").

The Company does not hold funds or securities for, or owe money or securities to, customers. The primary business of the Company is to act as a broker-dealer providing private placement of securities and selling interests in mortgages and other receivables.

2. Summary of Significant Accounting Policies

Basis of Presentation

This financial statement is prepared in conformity with accounting principles generally accepted in the United States ("U.S. 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 statement and the amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Company considers money market funds and all investments purchased with an original maturity of three months or less to be cash equivalents. The Company does not hold any restricted cash.

Income Taxes

The Company is a single member limited liability company and is treated as a disregarded entity for federal income tax reporting purposes. The Internal Revenue Code provides that any income or loss is passed through to the ultimate beneficial individual member for federal and state income taxes. Accordingly, the Company has not provided for federal and state income taxes.

At December 31, 2023, management has determined that the Company had no uncertain tax positions that would require financial statement recognition. This determination will be subject to ongoing reevaluation as facts and circumstances may require. Interest and penalties assessed, if any, are recorded as income tax expense.

CRB Securities, L.L.C.
(a wholly owned subsidiary of CRB Group, Inc.)

Notes to Statement of Financial Condition
As of December 31, 2023

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The Company utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date. The three levels of inputs are:

- Level 1: Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily available in an active market, valuation of these securities does not entail a significant degree of judgment.
- Level 2: Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for securities categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Marketable securities are those that can be readily sold, either through a stock exchange or through a direct sales arrangement, and are carried at fair value based on market quotes. Equity securities are valued at quoted market prices at the Company’s fiscal year end. Corporate debt securities and state and municipal government debt securities are valued at the closing price reported on the inactive market on which the individual securities or bonds are traded. Other assets and securities for which market quotations are not readily available are valued at fair value as determined by the Company in accordance with U.S. GAAP. Securities not readily marketable are valued at fair value as determined by the Company.

The Company’s assets measured at fair value as of December 31, 2023 are all Level 1.

CRB Securities, L.L.C.
(a wholly owned subsidiary of CRB Group, Inc.)

Notes to Statement of Financial Condition
As of December 31, 2023

2. Significant Accounting Policies (continued)

Fair Value of Financial Instruments (continued)

ASC 825, Financial Instruments, requires the disclosure of the fair value of financial instruments, including assets and liabilities recognized on the statement of financial condition. Management estimates that the fair value of the financial instruments recognized on the statement of financial condition (including cash, receivables, prepaid and other assets, accrued expenses and other liabilities and due to affiliate) approximates the carrying value because of the short maturity of the instruments, or that they bear market interest rates.

Fees Receivable and Contract Liabilities

Fees receivable include investment banking fees due from clients. Fees receivable arise when the Company has an unconditional right to receive payment under a contract with a customer and are derecognized when the cash is received. Contract assets arise when the revenue associated with the contract is recognized prior to the Company's unconditional right to receive payment under a contract with a customer (i.e. unbilled receivable) and are derecognized when either it becomes a receivable or the cash is received. Contract liabilities arise when customers remit contractual cash payments in advance of the Company satisfying its performance obligations under the contract and are derecognized when the revenue associated with the contract is recognized when the performance obligation is satisfied.

The Company did not have any fees receivable or contract liabilities at December 31, 2023.

Allowance for Credit Losses

The Company follows ASC Topic 326, Financial Instruments – Credit Losses ("ASC 326"). ASC 326 impacts the impairment model for certain financial assets by requiring a current expected credit loss ("CECL") methodology to estimate expected credit losses over the entire life of the financial asset.

An allowance for credit losses may be based on the Company's expectation of the collectability of its receivables utilizing the CECL framework.

The Company considers factors such as historical experience, credit quality, age of balances and current and future economic conditions that may affect the Company's expectation of the collectability in determining the allowance for credit losses. Accordingly, the Company has not provided an allowance for credit losses at December 31, 2023.

CRB Securities, L.L.C.
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Notes to Statement of Financial Condition
As of December 31, 2023

3. Regulatory Requirements

The Company is subject to SEC Uniform Net Capital Rule 15c3-1 under the Securities Exchange Act of 1934, 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. At December 31, 2023, the Company had net capital of \$2,914,989 which exceeded the required net capital by \$2,902,727.

For the period June 14, 2023 through December 31, 2023, the Company cleared transactions through a US clearing broker dealer and operates under the exemptive provision of Rule 15c3-3 paragraph (k)(2)(ii) under the Securities Exchange Act of 1934. For the year ended December 31, 2023, the Company also relies on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to Rule 17a-5 because the Company has certain other limited business activities. The Company does not handle cash or securities on behalf of customers.

4. Related-Party Transactions

During the fiscal year, in accordance with an expense sharing agreement with the Bank, the Company recorded an allocation of compensation and benefits and other overhead costs. Total costs allocated to the Company during 2023 were \$105,599. Included in such expenses the Bank allocated a percentage of the overall rent expense to the Company based upon occupancy. The Company does not have control over the lease terms. As such, the Company does not record a right of use asset or an offsetting lease obligation. The Bank also paid certain invoices on behalf of the Company, most of which were settled by the Company. As of December 31, 2023 the intercompany balance due to affiliate was \$53,531.

The Company maintains two bank accounts with the Bank. The amount of funds on deposit are \$150,189 and represents approximately one month's expenses of the Company.

The Company engages in underwriting activities involving securities issued by Bank-sponsored securitization trusts.

The Company received a capital contribution from the Parent in the amount of \$2,000,000.

5. Contingent Liabilities

As of December 31, 2023, the Company did not have any contingent liabilities that were probable and or reasonably estimable, which would have a material adverse impact on the Company's financial statement.

6. Subsequent Events

The Company has performed an evaluation of events that have occurred subsequent to December 31, 2023 through the date this financial statement was issued. There have been no material subsequent events that would require recognition or disclosure in this report as of December 31, 2023.