

RADIUS SECURITIES LLC

FINANCIAL STATEMENTS

For the year ended June 30, 2021

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

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

SEC FILE NUMBER
8-69876

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 07/01/2020 AND ENDING 06/30/2021
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

RADIUS SECURITIES LLC

OFFICIAL USE
ONLY

FIRM ID. NO.

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

42 Broadway, Suite 12-129
(No. and Street)

New York NY 10006
(City) (State) (Zip Code)

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

Kathy Efreem (212)897-1686
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

YSL & Associates

(Name - if individual, state last, first, middle name)

11 Broadway New York NY 10004
(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

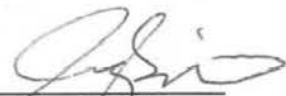
*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2). SEC 1410 (3-91)

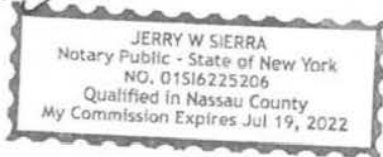
AFFIRMATION

I, Kathy Efrem, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to Radius Securities LLC for the year ended June 30, 2021, are true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.


Signature

FINOP
Title


Notary Public



RADIUS SECURITIES LLC

TABLE OF CONTENTS

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

- ☒ Report of Independent Registered Public Accounting Firm.
- ☒ Facing Page.
- ☒ Statement of Financial Condition.
- ☒ Statement of Operations.
- ☒ Statement of Changes in Members' Equity.
- ☒ Statement of Cash Flows.
- ☐ Statement of Changes in Liabilities Subordinated to Claims of General Creditors (not applicable).
- ☒ Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.
- ☒ Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- ☐ Information Relating to the Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934 (not applicable).
- ☐ A Reconciliation, including appropriate explanations, of the Computation of Net Capital Pursuant to Rule 15c3-1 and the Computation for Determination of Reserve Requirements Under Rule 15c3-3 (included in item (g)).
- ☐ A Reconciliation Between the Audited and Unaudited Statements of Financial Condition With Respect to Methods of Consolidation (not applicable).
- ☒ An Oath or Affirmation.
- ☐ A copy of the SIPC Supplemental Report.
- ☐ A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit (Supplemental Report on Internal Control).
- ☐ Independent Auditors' Report on Internal Control Required by SEC Rule 17a-5(g)(1).
- ☒ Independent Auditors' Report Regarding Rule 15c3-3 Exemption.
- ☒ Rule 15c3-3 Exemption Report

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



YSL & Associates LLC

Certified Public Accountants

Member of Parker Randall International

11 Broadway, Suite 700, New York, NY 10004

Tel: (212) 232-0122 Fax: (646) 218-4682

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of
Radius Securities LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of Radius Securities LLC (the "Company") as of June 30, 2021, the related statements of operations, changes in members' equity, and cash flows for the year then ended, and the related notes and schedules (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2021, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements 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 statements are 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 statements, 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.

Auditor's Report on Supplemental Information

The supplemental information contained in Schedule I and Schedule II has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental 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 supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the supplemental information contained in Schedule I and Schedule II is fairly stated, in all material respects, in relation to the financial statements as a whole.

YSL & Associates LLC

We have served as Radius Securities LLC's auditor since 2018.

New York, NY

September 28, 2021

RADIUS SECURITIES LLC

STATEMENT OF FINANCIAL CONDITION

JUNE 30, 2021

ASSETS

Cash	\$ 10,918
Prepaid assets	<u>1,306</u>
Total assets	<u><u>12,224</u></u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:

Due to affiliate	1,500
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Members' Equity

10,724

Total liabilities and members' equity	<u><u>\$ 12,224</u></u>
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The accompanying notes are an integral part of these financial statements.

RADIUS SECURITIES LLC
STATEMENT OF OPERATIONS

FOR THE YEAR ENDED JUNE 30, 2021

Expenses:

Administrative fees	\$ 1,200
Regulatory expenses	2,415
Other expenses	<u>761</u>
Total expenses	<u>4,376</u>

Net loss	<u><u>\$ (4,376)</u></u>
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The accompanying notes are an integral part of these financial statements.

RADIUS SECURITIES LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED JUNE 30, 2021

Balance - beginning of year	\$	12,486
Capital contributions		2,614
Net loss		<u>(4,376)</u>
Balance - end of year	\$	<u><u>10,724</u></u>

The accompanying notes are an integral part of these financial statements.

**RADIUS SECURITIES LLC
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED JUNE 30, 2021

Cash flows from operating activities	
Net loss	\$ (4,376)
Adjustments to reconcile net loss	
to net cash used in operating activities:	
Non cash expenses	2,614
Changes in assets and liabilities	
Increase in prepaid assets	(143)
Increase in due to affiliate	1,200
Net cash used in operating activities	<u>(705)</u>
 Cash - beginning of year	 <u>11,623</u>
Cash - end of year	<u>\$ 10,918</u>

Non-cash financing activities:

Non-cash contributions from conversion of debts	<u>\$ 2,614</u>
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The accompanying notes are an integral part of these financial statements.

RADIUS SECURITIES LLC

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 1. DESCRIPTION OF ORGANIZATION AND BUSINESS

Radius 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”) formed for the purpose of providing broker dealer services including financial advisory services, mergers and acquisition services and to engage in private placement of securities and similar services.

The Company has had no meaningful operations since it became a member of FINRA in October 2017.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements were prepared in conformity with accounting principles generally accepted in the United States of America (“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 statements and the amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Revenue Recognition

The Company recognizes revenue 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 goods or services. The guidance requires an entity to follow a five-step model to (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.

Revenue will be recognized when earned and collectable when the terms of the agreement are fulfilled.

Significant Judgements

Revenue from contracts with customers includes fees from advisory services, capital introduction placements and retainer fees. The recognition and measurement of revenue is based on the assessment of individual contract terms. Significant judgment is required to determine whether performance obligations are satisfied at a point in time or over time; how to allocate transaction prices where multiple performance obligations are identified; when to recognize revenue based on the appropriate measure of the Company’s progress under the contract; and whether constraints on variable consideration should be applied due to uncertain future events.

RADIUS SECURITIES LLC
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income Taxes

The Company is a limited liability company, treated as a partnership for federal and state income tax purposes; it therefore does not incur income taxes at the Company level. Instead its earnings and losses are passed through to the members and included in the calculation of each member's tax liability. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Company is subject to New York City Unincorporated Business Tax.

NOTE 3. RELATED PARTY TRANSACTIONS

In accordance with a services agreement, the Company's affiliate pays for various specified expenses for which the Company compensates the affiliate in the form of a management fee and for various other expenses, such as sundry professional services, for which the Company does not reimburse the affiliate.

During the period covered in this report, the Company has incurred \$1,200 on its books for the management fee. The affiliate agreed to pay other expenses on behalf of the Company without seeking reimbursement.

NOTE 4. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This Rule requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital both as defined shall not exceed 15 to 1 and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At June 30, 2021 the Company's net capital was \$9,418 which was approximately \$4,418 in excess of its minimum requirement of \$5,000.

NOTE 5. COMPLIANCE WITH RULE 15C3-3

The Company does not handle cash or securities on behalf of customers and accordingly has no obligation under SEC Rule 15c3-3.

NOTE 6. GOING CONCERN

Accounting Standards Update 2014-15 requires that management evaluate conditions or events that might raise substantial doubt about the Company's ability to continue as a going concern. Management has evaluated the Company's conditions and has determined that unless the Company generates enough revenue or continues to be funded by its members, there is substantial doubt about the Company's ability to continue as a going concern. Capital is not a significant income producing factor but should the Company have a need for capital it will be able to rely upon its members to infuse capital to cover overhead should that become necessary.

RADIUS SECURITIES LLC
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2021

NOTE 7. COVID-19

During the 2020 calendar year, the World Health Organization had declared COVID-19 to constitute a “Public Health Emergency of International Concern”. This pandemic has disrupted economic markets and the economic impact, duration and spread of the COVID-19 virus is uncertain at this time. The financial performance of the Company is subject to future developments related to the COVID-19 outbreak and possible government advisories and restrictions placed on the financial markets and business activities. The impact on financial markets and overall economy, all of which are highly uncertain, cannot be predicted. If the financial markets and/or overall economy are impacted for an extended period, the company’s results may be materially affected. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 8. NEW ACCOUNTING PRONOUNCEMENT

In June 2016, the FASB issued ASU 2016-13, Accounting for Financial Instruments – Credit Losses (Topic 326). ASU 2016-13 requires an organization to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Under the new standard, the allowance for credit losses must be deducted from the amortized cost of financial asset to present the net amount expected to be collected. The income statement reflects the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. This provision of guidance requires a modified retrospective transition method with a cumulative-affect adjustment in retained earnings upon adoption. This guidance was effective for the company on July 1, 2020, and the Company adopted this guidance on that date. The impact of this guidance was not material to the company.

SUPPLEMENTARY INFORMATION

SCHEDULE I

RADIUS SECURITIES LLC

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

AS OF JUNE 30, 2021

Members' equity	\$ 10,724
Deductions and/or charges	
Prepaid assets	<u>1,306</u>
Net Capital	9,418
Less: Minimum net capital requirements	
Greater of 6 2/3% of aggregate indebtedness or \$5,000	<u>5,000</u>
Excess net capital	<u>\$ 4,418</u>
Aggregate indebtedness:	
Accounts payable and accrued expenses	<u>\$ 1,500</u>
Ratio of Aggregate Indebtedness to Net Capital	<u>0.16</u>

There are no material differences between the computation of net capital presented above and the computation of net capital reported in the Company's unaudited Form X-17A-5, Part IIA filing as of June 30, 2021.

See report of independent registered public accounting firm.

SCHEDULE II
RADIUS SECURITIES LLC
INFORMATION REGARDING APPLICABILITY OF RULE 15C3-3
FOR THE YEAR ENDED JUNE 30, 2021

The Company does not hold customers' cash or securities. Accordingly, it had no obligations under SEC Rule 15c3-3 throughout this fiscal year.

See report of independent registered public accounting firm.

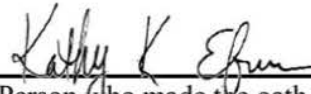
RADIUS SECURITIES LLC

RULE 15c3-3 EXEMPTION REPORT FOR THE YEAR ENDED JUNE 30, 2021

To the best of its knowledge and belief, Radius Securities LLC ("Radius") states the following:

Radius did not claim an exemption under paragraph (k) of SEC Rule 15c3-3 in reliance upon Footnote 74 of SEC release No.34-70073 and as discussed in Question 8 of the related FAQ's released by the SEC staff.

Radius may file an exemption report because it had no obligations under SEC Rule 15c3-3. Radius did not handle cash or securities on behalf of customers without any exceptions throughout the fiscal year ending June 30, 2021 since its business was limited to private placements, success fees and merger, acquisition advisory services and similar services.



Executed by Person who made the oath or affirmation
Under SEC Rule 17a-5(e)(2)