

AQUAS FINANCIAL, LLC
(formerly DLP SECURITIES, LLC)

Statement of Financial Condition

December 31, 2022

AQUAS FINANCIAL, LLC
(formerly DLP SECURITIES, LLC)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2022

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of AQUAS Financial, LLC (formerly DLP Securities, LLC)

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of AQUAS Financial, LLC (the "Company") as of December 31, 2022, and the related notes to the statement of financial condition (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, 2022 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 the Company'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 the Company in accordance with the U.S. federal securities laws and 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

PKF O'Connor Davies, LLP

We have served as the Company's auditor since 2022.

February 28, 2023

AQUAS Financial, LLC
(formerly DLP SECURITIES, LLC)

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2022

ASSETS

Cash	\$ 865,045
Deposit with clearing broker-dealer	100,765
Prepaid expenses	<u>1,436</u>
 TOTAL ASSETS	 <u><u>\$ 967,246</u></u>

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES	
Accounts payable and accrued expenses	\$ 4,232
 TOTAL LIABILITIES	 <u>4,232</u>
 MEMBERS' EQUITY	 <u>963,014</u>
 TOTAL LIABILITIES AND MEMBERS' EQUITY	 <u><u>\$ 967,246</u></u>

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

AQUAS Financial, LLC
(formerly DLP Securities, LLC)
Notes to Financial Statements
December 31, 2022

NOTE 1. ORGANIZATION AND NATURE OF BUSINESS

AQUAS Financial, LLC (the “Company”) is a securities broker-dealer located in Austin, Texas. The Company changed its name from DLP Securities, LLC to AQUAS Financial as of January 19, 2023. The Company is registered with the Securities and Exchange Commission (“SEC”) and a member of the Financial Industry Regulatory Authority (“FINRA”), both effective August 12, 2021. The Company was formed in the State of Texas as of August 25, 2020. The Company has two Members.

The Company has not yet commenced operations. The Company will offer a full range of securities brokerage services together with proprietary asset management tools utilizing an advanced electronic trading platform entitled “AQUAS”. The Company plans to provide state-of-the-art online trading in national market system (“NMS”) and over-the-counter (“OTC”) equities, debt securities, listed equity options, mutual funds, and exchange-traded products.

The Company will operate pursuant to the full provisions of SEC Rule 15c3-3 (the “Customer Protection Rule”), clearing securities transactions on an omnibus basis through a clearing firm.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) as detailed in the Financial Accounting Board’s (“FASB”) Accounting Standards Codification (“ASC”).

Use of Estimates

Financial statements prepared in conformity with GAAP require management to make estimates and assumptions that affect amounts reported and disclosed in the financial statements. Actual results could differ from those estimates.

Cash

The Company maintains bank accounts with a two major financial institutions. Cash was \$865,045 as of December 31, 2022. The Company’s cash balance may at times exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limit of \$250,000.

Cash Equivalents

The Company has defined cash equivalents as highly liquid investments with original maturities of less than three months. There were no cash equivalents as of December 31, 2022.

Deposit with Clearing Broker

The Company maintains a required cash deposit of \$100,000 with its clearing broker.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Company's revenue recognition accounting policy is in accordance with ASC 606 "Revenue from Contracts with Customers". Securities transactions, as well as the associated commission revenue and costs, are recorded on the trade date. The Company's performance obligation is satisfied on the trade date because that is when the underlying securities, counterparty, and pricing have been determined; and ownership risks and rewards are transferred.

Receivables

Receivable balances are stated at net realizable value. An allowance for doubtful accounts is recorded, if appropriate, based upon the Company's assessment of relevant collectability factors, in accordance with ASC 326, Financial Instruments – Current Expected Credit Losses ("CECL"). This standard requires the immediate recognition of estimated credit losses expected over the life of applicable financial assets.

The Company's CECL evaluation considers factors such as historical experience; credit quality; terms; balances; current and projected economic conditions; and other relevant collectability matters.

The Company had no receivables as of December 31, 2022.

Taxes

The Company is classified as a limited liability company and all taxes pass through to the members. The Company implemented ASC 740-10-65-1 for uncertain tax positions. For the year ended December 31, 2022, the Company had no uncertain tax positions.

NOTE 3. RELATED PARTY TRANSACTIONS

The Members provided office space and assumed occupancy expenses at no cost to the Company for the year.

NOTE 4. COUNTERPARTY RISK

The counterparties for the Company's transactions include broker-dealers, banks and other financial institutions. The Company is subject to credit risk in the event the counterparty does not fulfill its obligations. With respect to securities transactions, the Company is responsible to indemnify the clearing broker for any losses resulting from the Company's or counterparty's failure to fulfill their contractual obligations. At December 31, 2022, the Company had no such liability.

NOTE 5. COMMITMENTS AND CONTINGENCIES

The Company may be involved in litigation, claims and regulatory actions arising out of the normal course of business as a securities broker-dealer. The Company is not aware of any such matters as of December 31, 2022. The Company had no unusual commitments as of December 31, 2022.

AQUAS Financial, LLC
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Notes to Financial Statements
December 31, 2022

NOTE 6. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

The Company is subject to ongoing revisions to the GAAP standards in effect applicable to the preparation of its financial statements. The Company has either evaluated or is currently evaluating the impact of pending FASB pronouncements.

NOTE 7. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission's ("SEC") 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. Rule 15c3-1 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, 2022, the Company had net capital of \$961,578 which was \$711,578 in excess of its required net capital of \$250,000. The Company's ratio of aggregate indebtedness to net capital was 0.0044 to 1.

NOTE 8. SUBSEQUENT EVENTS

The Company evaluated subsequent events through the date the financial statements were issued. No material subsequent events occurred during this period that were required to be recognized or disclosed in the financial statements.