

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

ANNUAL REPORTS
FORM X-17A-5
PART III

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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 04/01/2023 AND ENDING 03/31/2024
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: Realized Financial, Inc.

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.)

400 W. 15th Street, Suite 700

(No. and Street)

Austin

TX

78701

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

David Dahill

(512) 827-3651

ddahill@realizedfinancial.com

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Phillip V. George, PLLC

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

5179 CR 1026

Celeste

TX

75423

(Address)

(City)

(State)

(Zip Code)

2/24/2009

3366

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

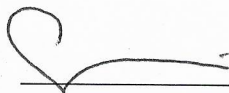
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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii),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

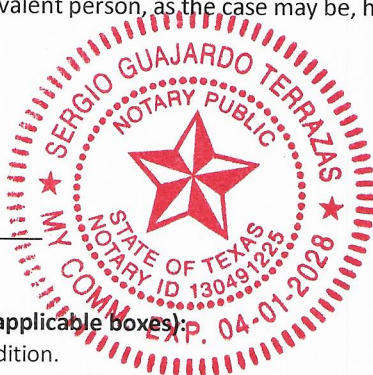
Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, David P. Dahill, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of Realized Financial, Inc., as of 3/31, 2024, 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.



Notary Public



Signature: 

Title:
CEO

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

- ☒ (a) Statement of financial condition.
- ☒ (b) Notes to consolidated statement of financial condition.
- ☐ (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 sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☐ (g) Notes to consolidated financial statements.
- ☐ (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.**

Realized Financial, Inc.

Statement of Financial Condition

March 31, 2024

**This report is filed in accordance with rule 17a-5(e)(3) Under the Securities
Exchange Act of 1934 as a PUBLIC document.**

Realized Financial, Inc.

March 31, 2024

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PHILLIP V. GEORGE, PLLC
CERTIFIED PUBLIC ACCOUNTANT

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Realized Financial, Inc.

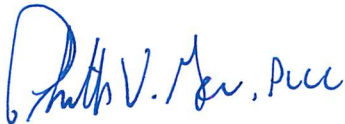
Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Realized Financial, Inc. (Realized Financial, Inc.) as of March 31, 2024, and the related notes (collectively referred to as the financial statement). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of Realized Financial, Inc. as of March 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

This financial statement is the responsibility of Realized Financial, Inc.'s management. Our responsibility is to express an opinion on Realized Financial, Inc.'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 Realized Financial, Inc. 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 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.



PHILLIP V. GEORGE, PLLC

We have served as Realized Financial, Inc.'s auditor since 2024.

Celeste, Texas
May 31, 2024

Realized Financial, Inc.
Statement of Financial Condition
March 31, 2024

ASSETS

Cash	\$ 264,019
Accounts receivable	134,770
Other receivable	117,339
Prepaid expenses and other assets	54,790
TOTAL ASSETS	\$ 570,918

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES

Accounts payable and accrued expenses	\$ 163,977
Due to Parent	10,094
TOTAL LIABILITIES	174,071

STOCKHOLDER'S EQUITY

Common Stock \$0.01 par value, 10,000,000 shares authorized, 929,826 shares issued and outstanding	9,288
Additional paid-in capital	1,156,328
Accumulated deficit	(768,769)
TOTAL STOCKHOLDER'S EQUITY	396,847

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	\$ 570,918
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Confidential Pursuant to SEC Rule 17A-5(e)(3).
See accompanying notes to financial statements.

Notes to Financial Statement
March 31, 2024

1. Organization and Nature of Business

Realized Financial, Inc. (the "Company") was incorporated in March 1988 as a Texas corporation. The Company is a wholly owned subsidiary of Realized Holdings, Inc. ("Parent"), a Delaware corporation. The Company is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and an investment advisor with the states of Texas and New Jersey. The Company is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investor Protection Corporation ("SIPC").

The Company is considered a Non-Covered Firm exempt from 17 C.F.R. § 240.15c3-3 relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5.

The Company's operations consist primarily in the sale of interests in real estate related private placement offerings.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue from Contracts with Customers

Significant Judgments

Revenue from contracts with customers includes commission income and fees from investment banking and asset management services. 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; whether revenue should be presented gross or net of certain costs; and whether constraints on variable consideration should be applied due to uncertain future events.

Private Placement Revenue

Private placement revenue is derived from offerings in private investments in which the Company acts as broker or agent. The Company recognizes placement fee revenue upon the closing date of the underlying transaction. At this point, the parties have been identified, the revenue amount is known or is determinable, and the Company's performance obligations have been completed in accordance with the terms of the contractual agreement.

Accounts Receivable

Accounts receivables represent receivables for private placement revenue.

Notes to Financial Statement
March 31, 2024

Current Expected Credit Losses (CECL)

The Company accounts for estimated credit losses on financial assets measured at an amortized cost basis and certain off-balance sheet credit exposures in accordance with FASB ASC 326-20, Financial Instruments -Credit Losses. FASB ASC 326-20 requires the Company to estimate expected credit losses over the life of its financial assets and certain off-balance sheet exposures as of the reporting date based on relevant information about past events, current conditions, and reasonable and supportable forecasts. The Company records the estimate of expected credit losses as an allowance for credit losses. For financial assets measured at an amortized cost basis the allowance for credit losses is reported as a valuation account on the balance sheet that adjusts the asset's amortized cost basis. Changes in the allowance for credit losses are reported in Credit Loss expense. At March 31, 2024, there was a \$39,800 allowance for current expected credit losses.

Income Taxes

The Company is included in the consolidated federal income tax return and combined Texas franchise return filed by the Parent. Income taxes are recorded using the separate company method to comply with financial reporting rules. Any resulting provision or benefit for income taxes is recorded as a receivable from or payable to Parent.

The Company is subject to state income taxes.

3. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of a minimum amount of 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 March 31, 2024, the Company had net capital of \$173,480, which was \$161,875 more than its required net capital of \$11,605. The Company's net capital ratio was 1.00 to 1.

4. Contingencies

The Company's business subjects it to various claims, regulatory examinations, and other proceedings in the ordinary course of business. The Company currently has one arbitration claim filed against it. The nature of this claim is related to the Company's activities in the securities industry. The arbitration seeks an unspecified amount of damages. No evaluation of the likelihood of an outcome or reasonable estimate of range or potential loss can be made by legal counsel on this open claim. The Company intends to vigorously defend itself against this action; however, the ultimate outcome of this and any other actions against the Company could have a material adverse impact on the financial condition, results of operations, or cash flows of the Company. There are no amounts accrued in the accompanying financial statements related to loss contingencies.

5. Concentration Credit Risk

At various times during the year the Company maintains cash balances at one regional bank in excess of federally insured amounts. Cash balances fluctuate on a daily basis. At March 31, 2024, uninsured amounts totaled \$14,019.

March 31, 2024

6. Income Taxes

The Company is included in the consolidated federal income tax return and combined Texas franchise return filed by its Parent. Federal and Texas taxes are recorded using the separate company method to comply with financial reporting rules. Any resulting provision or benefit for income taxes realized by the Company is recorded as a prepaid or payable to the Parent. The Company incurred tax expense payable to the Parent totaling \$358,639 and \$2,474 for federal and Texas taxes, respectively, for the year ended March 31, 2024. There are no amounts due to the Parent for taxes at March 31, 2024.

7. Related Party Transactions/Concentration of Services

The Company and its Parent have entered into an expense sharing agreement ("Agreement") effective July 28, 2020. The Agreement may be terminated by either party with 60 days' written notice. Under the Agreement, the Parent provides administrative services to the Company, including, but not limited to the payment of salaries and commissions, taxes and insurance, information technology, office supplies and postage, accounting and legal services, business equipment and communications, travel, office space and furniture. The Parent allocates a pro-rata portion of such expenses incurred by Parent on account of the Company. In making such allocation, the Parent equates the proportional cost of each facility or service with the proportional use or benefit derived by the Company. As of March 31, 2024, the intercompany balance owed to its Parent for these expenses was \$10,094 and included in due to related party in the statement of financial condition. Total costs allocated to the Company during the year ended March 31, 2024, totaled \$3,183,270, or approximately 73% of total expenses, and are included in the following expenses in the accompanying statement of income:

Compensation and related expenses	\$	1,783,077
Technology and communication expenses		267,788
Advertising and promotion		477,462
Rent and occupancy expenses		204,330
Professional fees		158,470
Insurance expense		119,052
Other expense		173,091
		<hr/>
	\$	3,183,270
		<hr/>

8. Subsequent Events

The Company has performed an evaluation of events that have occurred subsequent to March 31, 2024, and through May 31, 2024, the date the financial statements were available to be issued.

During April and May 2024, the Company paid dividends to its Parent totaling \$465,000.