

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

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

OMB APPROVAL
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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 01/01/2019 AND ENDING 12/31/2019  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **Chiron Securities LLC**

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

**1301 McKinney, Suite 2800**

OFFICIAL USE ONLY

FIRM I.D. NO.

(No. and Street)

**Houston**

**TX**

**77010**

(City)

(State)

(Zip Code)

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

Scott W. Johnson

(713) 929-9081

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

**Hartgraves Accounting & Consulting LLC**

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

**325 N. St. Paul Street, suite 3100 Dallas**

**TX**

**75201**

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:



Certified Public Accountant



Public Accountant



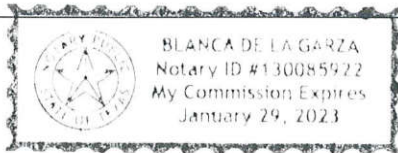
Accountant not resident in United States or any of its possessions.

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\*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)

## OATH OR AFFIRMATION

I, Scott Johnson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Chiron Securities LLC, as of December 31, 2019, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:



[Signature]  
Signature  
President Managing Director  
Title

[Signature]  
Notary Public

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

- ☒ (a) Facing Page.
- ☒ (b) 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 Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

# **CHIRON SECURITIES LLC**

**(Formerly Known as Chiron Capital LLC)**

## **FINANCIAL REPORT**

**DECEMBER 31, 2019**

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**CHIRON SECURITIES LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2019**

**ASSETS**

Cash	\$	<u>6,024</u>
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Other Assets:		
Advance to Owner	\$	<u>19,500</u>

TOTAL ASSETS	\$	<u><u>25,524</u></u>
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**LIABILITIES & EQUITY**

**LIABILITIES**

Other Liabilities:		<u>-</u>
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TOTAL LIABILITIES	\$	<u><u>-</u></u>
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**EQUITY**

TOTAL MEMBER'S EQUITY	\$	<u><u>25,524</u></u>
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TOTAL LIABILITIES & EQUITY	\$	<u><u>25,524</u></u>
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**CHIRON SECURITIES LLC  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**REVENUES**

Fee Income	\$ 1,247
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Total revenues	<u>1,247</u>
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**OPERATING EXPENSES**

Accounting	5,000
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Bank Charges	24
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Compensation	9,081
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Insurance	412
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Occupancy and Equipment Expenses	436
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Other Expenses	347
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Professional Service Fees	10,000
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Promotional Fees	1,274
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Registration	25
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Regulatory	5,380
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Research	427
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Technology, Data and Communication	373
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Travel & Entertainment	1,395
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Total operating expenses	<u>34,174</u>
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<b>NET LOSS</b>	<u><u>(32,927)</u></u>
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**CHIRON SECURITIES LLC  
STATEMENT OF CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2019**

<b>BALANCE, December 31, 2018</b>	<b>\$ 55,452</b>
Contributions	2,999
Net Income	<u>(32,927)</u>
<b>BALANCE, December 31, 2019</b>	<b><u>\$ 25,524</u></b>

**CHIRON SECURITIES LLC  
STATEMENT OF CASH FLOWS  
DECEMBER 31, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income	\$	(32,927)
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Adjustments to reconcile net income to net cash used in operating activities:

Payable to Chiron Financial		(272,307)
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<b>Net cash used in operating activities</b>		<u>(305,234)</u>
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**CASH FLOWS FROM FINANCING ACTIVITIES**

Contributions		<u>2,999</u>
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<b>Net Cash used in financing activities</b>		<u>2,999</u>
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Decrease in cash	\$	(302,235)
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<b>CASH, beginning of period</b>	\$	<u>308,259</u>
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<b>CASH, end of period</b>	\$	<u><u>6,024</u></u>
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**CHIRON SECURITIES LLC**  
**STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2019**

**NOTE 1. ORGANIZATION AND OPERATIONS**

Weisser, Johnson & Co. Capital Corporation was organized on January 10, 1992 under the laws of the State of Delaware to engage solely in the business of a registered broker dealer. In February 2003, the Company converted to Weisser Johnson Capital LP, a limited partnership, and in December 2009 the Company converted to Weisser Johnson Capital LLC (the Company). In November 2015, the name of the Company was changed to Leecam Advisors LLC and in October 2016 the name of the Company was changed to Chiron Capital LLC. In December of 2018 the name of the Company was changed to Chiron Securities LLC. The Company is a registered broker dealer with the Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA). The Company operates in Houston, Texas brokering private placement investments to a select group of institutional investors.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies of the Company is presented to assist in understanding the financial statements. The financial statements and notes are representations of management, who are responsible for their integrity and objectivity. These accounting policies reflect industry practices, conform to accounting principles generally accepted in the United States of America, and have been consistently applied in the preparation of the financial statements. The following items comprise the significant accounting policies of the Company.

**Revenues**

Revenues are recognized at the date of funding, which typically occurs in conjunction with the brokered deal.

**Income Taxes**

The Company is treated as a flow-through entity for income tax purposes. As a result, the net taxable income of the Company and any related tax credits, for federal income tax purposes, are deemed to pass to the individual members and are included in their personal tax returns even though such net taxable income or tax credits may not actually have been distributed. Accordingly, no tax provision has been made in the financial statements since the income tax is a personal obligation of the individual members.

The Company recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes*. FASB ASC 740 provides guidance on derecognition, measurement and classification of amounts relating to uncertain tax positions, accounting for and disclosure of interest and penalties, and disclosures relating to the adoption of the accounting standard. As of December 31, 2019, the Company believes there are no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

**CHIRON SECURITIES LLC  
STATEMENT OF CASH FLOWS  
DECEMBER 31, 2019**

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

The Company recognizes interest and penalties on state income taxes in the statement of operations. For the year ended December 31, 2019, the Company had no interest or penalties on state income taxes. The Company's tax years 2014 through the present remain subject to examination by major tax jurisdictions.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, if any, 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.

**NOTE 3. NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC 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. At December 31, 2019, the Company's aggregate indebtedness to net capital ratio was 0% and its net capital was \$6,024, which exceeds the minimum net capital required of \$5,000.

**NOTE 4. LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

During the year ended December 31, 2019, there were no liabilities subordinated to the claims of general creditors. Accordingly, a statement of changes in liabilities subordinated to claims of general creditors has not been included in these financial statements.

**NOTE 5. POSSESSION OR CONTROL REQUIREMENTS UNDER RULE 15c3-3**

The Company operates pursuant to the exemptive provisions of paragraph (k)(2)(i) of SEC Rule 15c3-3 and paragraph (a)(2)(vi) of SEC Rule 15c3-1. Accordingly, the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities and, as such, a review of the practices and procedures over safeguarding securities was not performed.

**NOTE 6. RELATED PARTY TRANSACTIONS**

During 2019, the Company had no paid employees and shared office space with Chiron Financial LLC, an entity that has common ownership. In prior years the Company shared an office with Weisser, Johnson & Co which no longer exists. The Company has historically shared expenses relating to rent, personnel, and other overhead under an expense sharing agreement. In 2019 such expenses relating to the Company's services to a client company were remitted to Chiron Financial LLC, which employs all personnel involved in Company activities. When charged, reimbursed expenses are not necessarily indicative of the costs that would have been incurred had the Company been a separate and independent operation.

**CHIRON SECURITIES LLC  
STATEMENT OF CASH FLOWS  
DECEMBER 31, 2019**

**NOTE 6. RELATED PARTY TRANSACTIONS - CONTINUED**

During the year ended December 31, 2019, Chiron Financial, LLC. did not charge the Company for any overhead expenses.

The Company has in prior years assigned its retainer fees, certain warrants to acquire equity securities, certain fees unrelated to securities transactions, and the reimbursement of expenses associated with client assignments to Weisser, Johnson & Co. under an informal arrangement. During the year ended December 31, 2019, the Company made no assignments to Chiron Financial LLC.

The Company has also participated in past years in a profit sharing arrangement along with Weisser, Johnson & Co. in which certain employees and members are entitled to receive a portion of the distributed net profits of Weisser, Johnson & Co. under an expense sharing agreement. During the year ended December 31, 2019, the Company did not participate in any profit sharing arrangements, though it did reimburse expenses of Chiron Financial LLC. As of December 31, 2019, no expense reimbursement amounts were due to any related party.

**NOTE 7. CONCENTRATION OF CREDIT RISK AND MAJOR CUSTOMERS**

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of temporary cash investments. The Company minimizes its credit risk associated with cash by utilizing high credit quality financial institutions. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in these accounts and believes it is not exposed to any significant risk on cash.

Major customers are defined as those comprising more than 10% of the Company's annual revenue. During the year 100% of the Company's revenue was received from one customer.

**NOTE 8. CAPITAL TRANSACTIONS**

The Company received \$2,999 in capital contributions and no capital redemptions for the year ended on December 31, 2019.

## **SUPPLEMENTAL INFORMATION**

**SCHEDULE I**  
**CHIRON SECURITIES LLC**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15C3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**  
**AS OF DECEMBER 31, 2019**

**COMPUTATION OF NET CAPITAL**

Total members' equity qualified for net capital	\$ 25,524
Add:	
Other deductions or allowable credits	_____-
Total capital and allowable subordinated liabilities	25,524
Deductions and/or charges	
Prepaid expenses	_____ <u>19,500</u>
Net capital before haircuts on securities positions	_____ <u>6,024</u>
Haircuts on securities (computed, where applicable, pursuant to Rule 15c3-1(f))	_____-
Net capital	\$ <u><u>6,024</u></u>

**AGGREGATE INDEBTEDNESS**

Items included in statement of financial condition:

Other liabilities	\$ _____
Total aggregate indebtedness	\$ <u><u>          </u></u>

**SCHEDULE I - CONTINUED**  
**CHIRON SECURITIES LLC**  
**COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**  
**AS OF DECEMBER 31, 2019**

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT**

Minimum net capital required (6 2/3% of total aggregate indebtedness)	<u>\$ -</u>
Minimum dollar net capital requirement of reporting broker or dealer	<u>\$ 5,000</u>
Net capital requirement (greater of above two minimum requirement amounts)	<u>\$ 5,000</u>
Net capital in excess of required minimum	<u>\$ 1,024</u>
Excess net capital at 1000%	<u>\$ 24</u>
Ratio: Aggregate indebtedness to net capital	<u>0 to 1</u>

**RECONCILIATION WITH COMPANY'S COMPUTATION**

There were no differences in the computation of net capital under Rule 15c3-1 from the Company's computation.

# *Hartgraves*

## Accounting & Consulting, LLC

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### Report of Independent Registered Public Accounting Firm

To the Member of  
Chiron Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (a) Chiron Securities, LLC identified the following provisions of 17 C.F.R. § 240.15c3-3(k) under which Chiron Securities, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(i) (the exemption provisions) and (b) Chiron Securities, LLC stated that Chiron Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Chiron Securities, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Chiron Securities, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of 17 C.F.R. § 240.15c3-3.

*Hartgraves Accounting & Consulting, LLC*

Dallas, Texas  
February 27, 2020

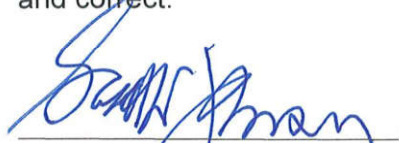
## Chiron Securities LLC Exemption Report

Chiron 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 claims an exemption from 17 C.F.R. § 240.15c3-3 under 17 C.F.R. § 240.15c3-3 (k)(2)(i).
- (2) The Company met the identified exemption provisions under 17 C.F.R. § 240.15c3-3 (k)(2)(i) throughout the most recent fiscal year without exception.

CHIRON SECURITIES LLC

I, Scott W. Johnson, affirm that, to my best knowledge and belief, this Exemption Report is true and correct.



By: Scott Johnson  
Title: Managing Director  
February 10, 2019



# Hartgraves

## Accounting & Consulting, LLC

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### Report of Independent Registered Public Accounting Firm

To the Member of Chiron Securities, LLC

#### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Chiron Securities, LLC (the "Company") as of December 31, 2019, and the related statements of operations, changes in member's equity and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019, 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 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. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

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.

#### **Supplemental Information**

The supplementary information contained in Schedule I, Computation of Net Capital Under Rule 15c3-1 under the Rules of the Securities and Exchange Commission have 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 supplementary

information contained in Schedule I, Computation of Net Capital Under Rule 15c3-1 under the Rules of the Securities and Exchange Commission are fairly stated, in all material respects, in relation to the financial statements as a whole.

*Hartgraves Accounting & Consulting, LLC*

This is our initial year as the auditor for the Company.

Dallas, Texas  
February 27, 2020