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SECURITIES AND EXCHANGE COMMISSION

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

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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 01-01-2012 AND ENDING 12-31-2012  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Skyline Capital Securities, LLC, formerly WCP Securities, LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

5 Ranch Road

(No. and Street)

Woodside

(City)

CA

(State)

94062

(Zip Code)

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

Jeffrey S. Karan

650-851-4639

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Joseph Yafeh, CPA

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

11300 West Olympic Blvd., Suite 875

(Address)

Los Angeles

(City)

CA

(State)

90064

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

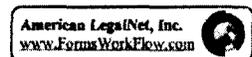
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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9/23/13



OATH OR AFFIRMATION

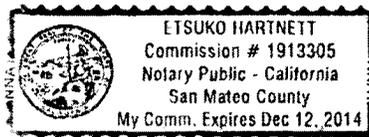
I, Jeffrey S. Karan, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Skyline Capital Securities, LLC formerly WCP Securities, LLC, as of December 31, 2012, are true and correct. I further swear (or 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:

None

State of California, County of Santa Clara
Subscribed and sworn to (or affirmed) before me
on this 25th day of February, 2013,
by Jeffrey S. Karan,
personally known to me or proved to me on the
basis of satisfactory evidence to be the person(s)
who appeared before me.

Signature: [Handwritten Signature]
Title: CEO

Signature: [Handwritten Signature]
Notary Public



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

- (a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(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).

**Skyline Capital Securities, LLC  
Formerly WCP Securities, LLC**

**Report Pursuant to Rule 17a-5 (d)**

**Financial Statements**

**For the Year Ended December 31, 2012**

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**Joseph Yafeh CPA, Inc.**  
*A Professional Accounting Corporation*  
**11300 W. Olympic Blvd., Suite 875**  
**Los Angeles CA 90064**  
**310-477-8150 ~ Fax 310-477-8152**  
[joeyafeh@cpasocal.com](mailto:joeyafeh@cpasocal.com)  
**PCAOB # 3346**

Report of Independent Auditor

Member  
Skyline Capital Securities, LLC  
formerly WCP Securities, LLC  
Woodside, California

**Report on the Financial Statements**

I have audited the accompanying statement of financial condition of Skyline Capital Securities, LLC, formerly WCP Securities, LLC as of December 31, 2012 and related statements of income (loss), changes in member's equity, and changes in financial condition for the year then ended. These financial statements are being filed pursuant to Rule 17a-5 of the Securities Exchange Act of 1934 and include the supplemental schedule of the net capital computation required by rule 15c3-1. These financial statements are the responsibility of Skyline Capital Securities, LLC's management.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Member  
Skyline Capital Securities, LLC  
formerly WCP Securities, LLC  
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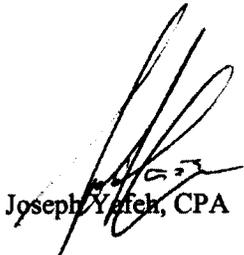
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Skyline Capital Securities, LLC as of December 31, 2012, and the results of its operations and its changes in financial position for the year ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I, II and III is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities and Exchange Act of 1934. This supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information in Schedules I, II and III is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Joseph Yatch, CPA

Los Angeles, California  
February 8, 2013

**Skyline Capital Securities, LLC  
formerly WCP Securities, LLC  
Statement of Financial Condition  
December 31, 2012**

**Assets**

Cash	\$ 15,861
FINRA deposit	14
Securities	6,245
Receivables – related party	<u>11,868</u>
<b>Total Assets</b>	<b><u>\$ 33,988</u></b>

**Liabilities and Member's Equity**

**Liabilities**

Accounts payable	<u>\$ 425</u>
Total Liabilities	<u>425</u>
Member's Equity	
Member's equity	<u>33,563</u>
<b>Total Liabilities and Member's Equity</b>	<b><u>\$ 33,988</u></b>

See accompanying notes to financial statements

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Statement of Income (Loss)**  
**For the Year Ended December 31, 2012**

Revenue

Interest and dividends	\$ 13
Realized gain	1,385
Unrealized gain	<u>2,904</u>
Total Revenues	<u>\$ 4,302</u>

Expenses

Licenses and permits	730
Miscellaneous	799
Professional fees	8,308
Regulatory fees	<u>2,543</u>
Total Expenses	<u>12,380</u>
(Loss) Before Taxes	( 8,078)
State Income Tax	<u>800</u>
Net (Loss)	<u>\$ ( 8,878)</u>

See accompanying notes to financial statements

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Statement of Changes in Member's Equity**  
**For the Year Ended December 31, 2012**

	<u>Member's Equity</u>
Balance, December 31, 2011	\$ 63,537
Capital distribution	(21,096)
Net (loss)	( 8,878)
Balance, December 31, 2012	<u>\$ 33,563</u>

See accompanying notes to financial statements

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Statement of Changes in Financial Condition**  
**For the Year Ended December 31, 2012**

Cash Flows from Operating Activities:

Net (loss) from operations	\$( 8,878)
FINRA deposit	480
Securities	1,575
Receivables – related party	( 1,962)
Accounts payable	( 1,226)
Accounts payable – related party	( 1,943)
Income tax payable	<u>( 900)</u>

Net cash used by operating activities ( 12,854)

Cash Flows from Investing Activities: --

Cash Flows from Financing Activities:

Capital distributions (21,096)

Net cash used by financing activities (21,096)

Net decrease in cash (33,950)

Cash: Beginning of the year 49,811

Cash: End of the year \$ 15,861

Supplemental Cash Flow Information

Cash paid for interest \$ 0

Cash paid for state taxes \$ 900

See accompanying notes to financial statements

**Skyline Capital Securities, LLC  
formerly WCP Securities, LLC  
Notes to Financial Statements  
December 31, 2012**

**Note 1 – Organization and Nature of Business**

Skyline Capital Securities, LLC, formerly WCP Securities, LLC (the “Company”) is a Delaware Limited Liability Company as of February 27, 2003 and approved by the NASD on October 16, 2003 to operate as a broker/dealer. Skyline Capital Securities, LLC is engaged in the business of conducting private placements of securities. Skyline Capital Securities, LLC does not hold customer funds or securities. In June 2010 the Company was sold and changed its name to WCP Securities, LLC. Management changed its name from WCP Securities, LLC to Skyline Capital Securities, LLC on May 7, 2012.

**Note 2 – Significant Accounting Policies**

**Basis of Presentation** – The Company is engaged in the business as a securities broker/dealer, which comprises several classes of services, including:

- Broker or dealer selling tax shelters or limited partnerships in primary distributions
- Private placements of securities

**Use of Estimates** - The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

**Statement of Changes in Financial Condition** - The Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months that are not held for sale in the ordinary course of business

**Revenue Recognition** – Investment banking fees are contingent on, and are recognized upon, the successful completion of a project. Investment banking fees are generated from services related to a limited number of transactions. Due to the nature of the Company’s business, the size of any one transaction may be significant to the Company’s operations for the period.

**Income Taxes** – The Company, with consent of its Member, has elected to be a California Limited Liability Company. For tax purposes the Company is treated like a partnership, therefore in lieu of business income taxes, the Member is taxed on the Company’s taxable income. Therefore, no provision or liability for Federal Income Taxes is included in these financial statements. The State of California has a similar treatment, although there exists a provision for a gross receipts tax and a minimum Franchise Tax of \$800.

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Notes to Financial Statements**  
**December 31, 2012**

**Note 2 – Significant Accounting Policies (continued)**

**Statement of Changes in Financial Condition** – The Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months that are not held for sale in the ordinary course of business.

**Note 3 - Fair Value**

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability and rely on management’s own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company’s own data.)

The following table presents the Company’s fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2012.

<b>Fair Value Measurements on a Recurring Basis</b>			
<b>As of December 31, 2012</b>			
<b>Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Cash and Securities	\$15,861	\$ -	\$ -

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Notes to Financial Statements**  
**December 31, 2012**

**Note 4 – Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 5c3-1) 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. Net capital and aggregate indebtedness change day by day, but on December 31, 2012, the Company had net capital of \$20,427 which was \$15,427 in excess of its required net capital requirement of \$5,000. The Company's percentage of aggregate indebtedness, \$425 to net capital was 2%.

**Note 5 – Provision for Income Taxes**

The Company is treated as a disregarded entity for federal tax purposes, in accordance with single member limited liability company rules. All tax effects of the Company's income or loss are passed through to the member. Therefore, no provision or liability for Federal income taxes is included in these financial statements.

The State of California requires limited liability companies to pay \$800 tax plus a fee based on gross revenue over \$250,000. The accompanying financial statements include an \$800 tax.

**Note 6 – Exemption from the SEC Rule 15c3-3**

Rule 15c3-3(k)(2)(i) provides an exemption from the SEC's so-called "customer protection rule" for firms that: carry no margin accounts; promptly transmit all customer funds and deliver all securities received in connection with their broker-dealer activities; do not otherwise hold funds or securities for, or owe money or securities to, customers; and effectuate all financial transactions with customers through one or more bank accounts designated as "Special Account for the Exclusive Benefit of Customers" of the Company.

**Note 7 – SIPC Supplementary Report Requirement**

The Company is not required to complete the SIPC Supplementary Report under SEC Rule 17a-5(e) (4) for fiscal year ending December 31, 2012 because the Company's SIPC Net Operating Revenues are under \$500,000.

**Note 8 – Subsequent Events**

Management has reviewed the results of operations for the period of time from its year end December 31, 2012 through February 8, 2013, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying combined financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Schedule I - Computation of Net Capital Requirements Pursuant**  
**To Rule 15c3-1**  
**December 31, 2012**

Computation of Net Capital

Member's Equity	\$ 33,563
Non Allowable Assets:	
FINRA deposit	( 14)
Receivables – related party	( 11,868)
Haircut:	
Money Market	( 317)
Securities	<u>( 937)</u>
Net Capital	<u>\$ 20,427</u>

Computation of Net Capital Requirements

Minimum net capital required 6-2/3 of total liabilities	\$ 28
Minimum dollar net capital required	<u>\$ 5,000</u>
Net Capital required (greater of above amounts)	<u>\$ 5,000</u>
Excess Capital	<u>\$ 15,427</u>
Deficient net capital at 1000% (net capital less 10% of aggregate indebtedness)	<u>\$ 20,384</u>

Computation of Aggregate Indebtedness

Total liabilities	<u>\$ 425</u>
Percentage of aggregate indebtedness to net capital	<u>2%</u>

Reconciliation

The following is a reconciliation at December 31, 2012 of the above net capital computation with the Company's corresponding unaudited computation pursuant to Rule 17a-5(d) (4).

Unaudited net capital computation	<u>\$ 20,427</u>
Audited net capital computation	<u>\$ 20,427</u>

See accompanying notes to financial statements

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Schedule II – Computation for Determination of Reserve**  
**Requirements Pursuant to Rule 15c3-3**  
**As of December 31, 2012**

A computation of reserve requirement is not applicable to Skyline Capital Securities, LLC formerly WCP Securities, LLC as the Company qualifies for exemption under Rule 15c3-3 (k) (2) (i).

**Skyline Capital Securities, LLC**  
**formerly WCP Securities, LLC**  
**Schedule III – Information Relating to Possession or Control**  
**Requirements Under Rule 15c3-3**  
**As of December 31, 2012**

Information relating to possession or control requirements is not applicable to Skyline Capital Securities, LLC, formerly WCP Securities, LLC as the Company qualifies for exemption under Rule 15c3-3 (k) (2) (i).

**Joseph Yafeh CPA, Inc.**  
*A Professional Accounting Corporation*  
11300 W. Olympic Blvd., Suite 875  
Los Angeles CA 90064  
310-477-8150 ~ Fax 310-477-8152

**PART II**  
**Report on Internal Control Required by SEC Rule 17a-5(g) (1) for a  
Broker-Dealer Claiming an Exemption from SEC Rule 15c3-3**

Member  
Skyline Capital Securities, LLC  
formerly WCP Securities, LLC  
Woodside, California

In planning and performing my audit of the financial statements of Skyline Capital Securities, LLC, formerly WCP Securities, LLC (the Company), as of and for the year ended December 31, 2012, in accordance with auditing standards generally accepted in the United States of America, I considered the Company's internal control over financial reporting (internal control) as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g) (1) of the Securities and Exchange Commission (SEC), I have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, I did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Member  
Skyline Capital Securities, LLC  
formerly WCP Securities, LLC Woodside, California  
Page 2

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

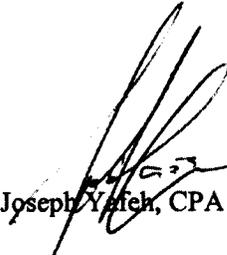
A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

My consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined previously.

I understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on my study, I believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2011 to meet the SEC's objectives.

This report is intended solely for the information and use of the Member, management, the SEC, and FINRA, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Joseph Yafeh, CPA

Los Angeles, California  
February 8, 2013