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

SEC
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Section

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**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 01/01/13 AND ENDING 12/31/13
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Portfolio Brokerage Services, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

1999 Broadway, 42nd Floor

(No. and Street)

Denver

(City)

Colorado

(State)

80202-3922

(Zip Code)

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

Dale J. Seier

(303) 824-8175

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

KPMG LLP

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

200 East Randolph Drive, Suite 5500

(Address)

Chicago

(City)

Illinois

(State)

60601-6436

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

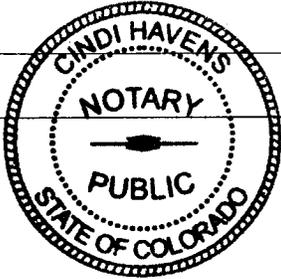
Accountant not resident in United States or any of its possessions.

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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, Date J. Seier, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Portfolio Brokerage Services, Inc., as of December 31, 2013, 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:



[Handwritten Signature]

Signature

Senior Vice President - Treasurer

Title

[Handwritten Signature]
Notary Public *expiration 3/16/15*

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.
- (o) Independent auditor's report on internal control

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

Assets

Cash and cash equivalents	\$ 923,940
Deposits with clearing organizations	286,194
Receivables from affiliates	566,052
Deferred tax assets	53,673
Other assets	<u>41,679</u>
Total assets	<u>\$ 1,871,538</u>

Liabilities and Shareholder's Equity

Accounts payable, accrued expenses, and other liabilities	\$ 84,968
Payable to clearing organizations	6,500
Income tax payable	7,931
Deferred tax liabilities	<u>9,407</u>
Total liabilities	<u>108,806</u>
Shareholder's equity:	
Common stock, \$0.01 par value. Authorized, 100,000 shares; issued and outstanding, 1,000 shares	10
Additional paid-in capital	1,205,190
Retained earnings	<u>557,532</u>
Total shareholder's equity	<u>1,762,732</u>
Total liabilities and shareholder's equity	<u>\$ 1,871,538</u>

See accompanying notes to financial statements.