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SECURITIES AND COMMISSION  
Washington, D.C. 20549

7/18/14

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

SEC FILE NUMBER
8- 67415

**FACING PAGE  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities and Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 1/1/2013 AND ENDING 12/31/2013  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER DEALER:

RiverCross Securities, LLLP

OFFICIAL USE ONLY
FIRM ID. NO.

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

401 City Avenue, Suite 920

(No. and Street)

Bala Cynwyd

(City)

PA

(State)

19004

(Zip Code)

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

Kai Huang

(610) 664-2070

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

BBD, LLP

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

1835 Market Street, 26<sup>th</sup> Floor

(Address)

Philadelphia

(City)

PA

(State)

19103

(Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY

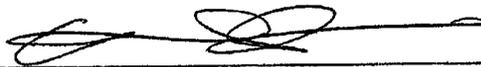
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

02  
8/17/14

## OATH OR AFFIRMATION

I, Kai Huang, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of RiverCross Securities, LLP, 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:

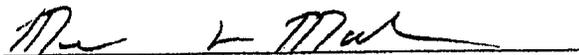
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature

President

Title



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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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 accounting control.

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

**RIVERCROSS SECURITIES, LLLP**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULES  
PURSUANT TO RULE 17a-5 OF  
THE SECURITIES EXCHANGE ACT OF 1934 AND  
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL**

**YEAR ENDED DECEMBER 31, 2013**

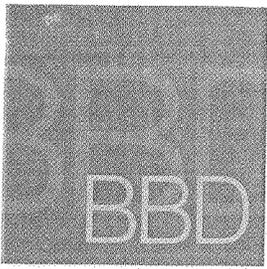
# RIVERCROSS SECURITIES, LLLP

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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Partners  
RiverCross Securities, LLLP

We have audited the accompanying statement of financial condition of RiverCross Securities, LLLP (the "*Company*") as of December 31, 2013, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended that are filed pursuant to rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of RiverCross Securities, LLLP as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

BBD,LLP

CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTING \* AUDIT \* TAX \* BUSINESS ADVISORY

1835 MARKET STREET, 26TH FLOOR \* PHILADELPHIA, PA 19103 \* T: 215/567-7770 \* F: 215/567-6081 \* www.bbdcpa.com

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained on pages 9 and 10 is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such 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. The information on pages 9 and 10 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 our opinion, the information on pages 9 and 10 is fairly stated in all material respects in relation to the financial statements as a whole.

*BBD, LLP*

**Philadelphia, Pennsylvania**  
**March 1, 2014**

**RIVERCROSS SECURITIES, LLLP**

**STATEMENT OF FINANCIAL CONDITION**

**December 31, 2013**

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**ASSETS**

Cash	\$ 325,603
Receivable from clearing organizations	250,000
Receivables from customers	110,139
Property and equipment, net	-
Other assets	<u>41,876</u>
<b>Total assets</b>	<b><u>\$727,618</u></b>

**LIABILITIES AND PARTNERS' CAPITAL**

**LIABILITIES**

Accounts payable, accrued expenses and other liabilities	\$ 196,663
<b>Total liabilities</b>	<u>196,663</u>

**PARTNERS' CAPITAL**

<b>Total liabilities and partners' capital</b>	<b><u>\$727,618</u></b>
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**See accompanying notes**

# RIVERCROSS SECURITIES, LLLP

## STATEMENT OF OPERATIONS

Year ended December 31, 2013

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### REVENUE

Commissions	\$ 990,626
Other revenue	<u>497,445</u>
<b>Total revenue</b>	<b><u>1,488,071</u></b>

### EXPENSES

Salary and salary-related expenses	604,642
Commission and clearing	172,777
Occupancy	103,459
Communication and data processing	487,429
Regulatory fees	29,074
Professional fees	111,710
Interest expense	208
Other expenses	<u>154,682</u>
<b>Total expenses</b>	<b><u>1,663,981</u></b>

**NET LOSS** **\$ (175,910)**

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See accompanying notes

**RIVERCROSS SECURITIES, LLLP**

**STATEMENT OF CHANGES IN PARTNERS' CAPITAL**

Year ended December 31, 2013

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<b>BALANCE, January 1, 2013</b>	\$ 440,557
Contributions	600,030
Distributions	(333,722)
Net Loss	<u>(175,910)</u>
<b>BALANCE, December 31, 2013</b>	<u>\$ 530,955</u>

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*See accompanying notes*

# RIVERCROSS SECURITIES, LLLP

## STATEMENT OF CASH FLOWS

Year ended December 31, 2013

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### CASH FLOWS FROM OPERATING ACTIVITIES

<b>Net loss</b>	\$(175,910)
<b>Adjustments to reconcile net loss to net cash used by operating activities</b>	
Depreciation	120,467
(Increase) decrease in	
Other assets	(29,439)
Receivables from customers	356,449
Decrease in	
Accounts payable, accrued expenses and other liabilities	<u>(341,342)</u>
<b>Net cash used by operating activities</b>	<u>(69,775)</u>

### CASH FLOWS FROM FINANCING ACTIVITIES

Contributions from partners	600,030
Distributions to partners	(333,722)
	<u>266,308</u>
<b>Net cash provided for financing activities</b>	<u>266,308</u>
<b>Net increase in cash</b>	196,533

### CASH

Beginning of year	<u>129,070</u>
<b>End of year</b>	<u>\$ 325,603</u>

### SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Interest paid	<u>\$ 208</u>
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See accompanying notes

# RIVERCROSS SECURITIES, LLLP

## NOTES TO FINANCIAL STATEMENTS

December 31, 2013

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### (1) ORGANIZATION AND NATURE OF BUSINESS

RiverCross Securities, LLLP (the "**Company**"), a Delaware Limited Liability Limited Partnership, is a registered broker-dealer under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Company (SIPC). The Company clears its securities transactions on a fully disclosed basis with a clearing broker. The Company's effective date of organization was March 14, 2008. The effective date of the Company's registration as a broker-dealer was March 6, 2007.

### (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Accounting 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

#### Securities Transactions

Securities transactions (and related commissions, revenue and expenses) are recorded on a trade date basis as if they had settled.

#### Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable. The Company places its cash with high credit quality financial institutions. At times, such amounts may exceed federally insured limits. Account monitoring procedures are utilized to minimize the risk of loss from accounts receivable. The Company generally does not require collateral or other security from its customers. During this year the Company recognized approximately 50% of its revenue from one customer and its related affiliates.

#### Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to an allowance for doubtful accounts. The allowance for doubtful accounts is estimated based on the Company's historical losses, current economic conditions, and the financial stability of its customers. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. The Company generally does not charge interest.

#### Property and Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation of equipment, which carried a cost of \$797,330 as of December 31, 2013, was computed on the straight-line method with estimated useful lives of 2 to 7 years. Accumulated depreciation totaled \$797,330 and related depreciation expense totaled \$120,467 as of and for the year ending December 31, 2013, respectively.

#### Income Taxes

The Company has elected Partnership status for federal and state tax purposes whereby taxable income is reported by the Company's partners.

# RIVERCROSS SECURITIES, LLLP

## NOTES TO FINANCIAL STATEMENTS

December 31, 2013

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Accounting standards clarify the accounting for uncertainty in income taxes recognized in an enterprise's financial statements by prescribing a recognition threshold and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Accounting standards also provides guidance on derecognition, classification, interest and penalties, accounting for interim periods, disclosure and transition. It is the Company's policy to record interest and penalties related to uncertain income tax positions, if any, as a component of income tax expense.

As of December 31, 2013, the Company had no uncertain tax positions that would require recognition or disclosure in the financial statements. The Company files U.S. and Pennsylvania income tax returns. U.S. and Pennsylvania returns for the years ended December 31, 2010 to 2013 remain open for audit.

### (3) LEASE COMMITMENTS

The Company leases office space in Bala Cynwyd, PA under a three-year lease which expires in August 2015, The lease requires the Company to pay their proportionate share of utilities, real estate taxes, and other common area maintenance charges. Rent expense for the year ended December 31, 2013 was \$103,459 Future minimum rental payments under this lease agreement are as follows: \$103,684 in 2014, and \$70,152 in 2015.

### (4) CONTINGENCIES AND COMMITMENTS

The Company has a clearing agreement with its clearing broker, Convergen Execution Solutions (the "**Clearing Broker**"). The agreement provides that certain minimum capital balances must be maintained while the Company's customer accounts are being introduced to and cleared by the Clearing Broker on a fully disclosed basis. In connection with this agreement, the Company is contingently liable to the Clearing Broker in the event of nonperformance by its introduced customers. It is the Company's policy to continuously monitor its exposure to these risks.

### (5) REGULATORY REQUIREMENTS

The Company is exempt from the provisions of Rule 15c3-3 of the Securities Exchange Act of 1934 (reserve requirements for brokers and dealers) in that the Company does not hold funds or securities for customers. All customer transactions are cleared through another broker-dealer on a fully-disclosed basis.

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined, equal to the greater of \$5,000 or 6-2/3% of aggregate indebtedness. Net capital and the related net capital ratio may fluctuate on a daily basis. At December 31, 2013, the Company had net capital of \$ 453,732 and net capital requirements of \$ 13,111. The percentage of aggregate indebtedness to net capital was 43%. These net capital requirements may effectively restrict the Company's ability to make distributions to its members.

### (6) SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date and time the financial statements were issued on March 1, 2014 No material subsequent events have occurred since December 31, 2013 that required recognition or disclosure in our current period financial statements.

**SUPPLEMENTARY INFORMATION**

# RIVERCROSS SECURITIES, LLLP

## COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

December 31, 2013

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Partners' capital	\$530,955
Add: Liabilities subordinated to claims of general creditors	<u>-</u>
Total capital and allowable subordinated liabilities	<u>530,955</u>
Non-allowable assets	
Other assets	41,876
Receivable from customers	<u>35,347</u>
Total non-allowable assets	<u>77,223</u>
Net capital before haircuts	453,732
Haircuts	<u>-</u>
Net capital	453,732
Minimum capital required per Rule 15c3-1(a)(2)(iii)	<u>13,111</u>
Excess net capital	<u>\$440,621</u>

Note: There are no material differences between the audited and unaudited computation of net capital pursuant to Rule 15c3-1.

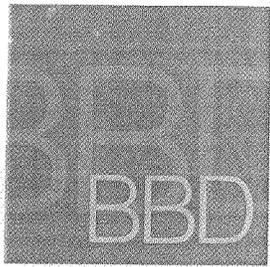
# RIVERCROSS SECURITIES, LLLP

## *OTHER INFORMATION*

December 31, 2013

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- 1. Computation for determination of the reserve requirements under Rule 15c3-3 of the SEC**  
The Company operates under the exemptive provision of paragraph (k)(2)(ii) of SEC Rule 15c3-3. All customer transactions clear through Convergen Execution Solutions, its clearing firm, on a fully disclosed basis.
  
- 2. Information relating to possession or control requirements under SEC Rule 15c3-3 of the SEC**  
The Company is subject to exemptive requirements of SEC Rule 15c3-3 and did not maintain possession or control of any customer funds or securities as of December 31, 2013.



CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
REQUIRED BY SEC RULE 17a-5(g)(1) FOR A BROKER-DEALER  
CLAIMING AN EXEMPTION FROM SEC RULE 15c3-3**

**To the Partners  
RiverCross Securities, LLLP**

In planning and performing our audit of the financial statements and supplemental schedules of RiverCross Securities, LLLP (the "**Company**"), as of and for the year ended December 31, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we 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), we 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 we 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, we 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.

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.

BBD,LLP

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1835 MARKET STREET, 26TH FLOOR • PHILADELPHIA, PA 19103 • T: 215/567-7770 • F: 215/567-6081 • [www.bbdcpa.com](http://www.bbdcpa.com)

A *deficiency in internal control* 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 and correct, 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.

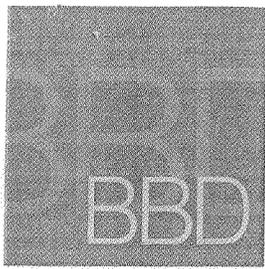
Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for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

We 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 our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2013, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC 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.

*BBD, LLP*

Philadelphia, Pennsylvania  
March 1, 2014



CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES RELATED TO  
AN ENTITY'S SIPC ASSESSMENT RECONCILIATION**

**To the Partners  
RiverCross Securities, LLLP**

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [General Assessment Reconciliation (Form SIPC-7)] to the Securities Investor Protection Corporation ("*SIPC*") for the year ended December 31, 2013, which were agreed to by RiverCross Securities, LLLP and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating RiverCross Securities, LLLP's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). RiverCross Securities, LLLP's management is responsible for RiverCross Securities, LLLP's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement entries from checking account statements noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2013, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2013 noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers noting no differences; and
4. Proved the arithmetical accuracy of the calculations reflect in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

*BBD, LLP*

**Philadelphia, Pennsylvania  
March 1, 2014**

BBD, LLP

CERTIFIED PUBLIC ACCOUNTANTS

ACCOUNTING \* AUDIT \* TAX \* BUSINESS ADVISORY

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# RIVERCROSS SECURITIES, LLLP

## SCHEDULE OF ASSESSMENT AND PAYMENTS TO THE SECURITIES INVESTORS PROTECTION CORPORATION (SIPC) – PURSUANT TO RULE 17a-5(e)(4)

Year ended December 31, 2013

General assessment	\$ 3,286
Less:	
Payments made:	
SIPC-6: August 1, 2013	\$1,843
SIPC-7: February 13, 2014	<u>1,443</u>
	<u>3,286</u>
Total assessment balance due	<u>\$ -</u>
Determination of SIPC net operating revenues and general assessment	
Total revenue (Focus Line 12/Part IIA Line 9)	\$1,488,071
Additions	
Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above	
Net loss from principal transactions in securities in trading accounts	
Net loss from principal transactions in commodities in trading accounts	
Interest and dividend expense deducted in determining total revenue	
Net loss from management of or participation in the underwriting or distribution of securities	
Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management or participation in underwriting or distribution of securities	
Net loss from securities in investment accounts	<u>-</u>
Total additions	<u>-</u>
Deductions	
Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products	
Revenues from commodity transactions	
Commissions, floor brokerage and clearance paid to other SIPC members in connection with security transactions	172,777
Reimbursements for postage in connection with proxy solicitation	
Net gain from securities in investment accounts	
100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptance or commercial paper that mature nine months or less from issuance date	
Direct expenses of printing, advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act)	
Other revenue not related either directly or indirectly to the securities business	<u>549</u>
The greater of:	
Total interest and dividend expense (Focus Line 22/Part IIA, Line 13 plus interest and dividend income included in additions in total revenues above	
40% of interest earned on Customers securities accounts (40% of FOCUS Line 5)	<u>208</u>
	<u>208</u>
Total deductions	<u>173,534</u>
SIPC net operating revenues	<u>\$1,314,537</u>
General assessment @ .0025	<u>\$ 3,286</u>