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

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ANNUAL AUDITED REPORT **SEC**  
FORM X-17A-5 \* **Mail Processing**  
PART III **Section**

FEB 28 2014

SEC FILE NUMBER  
8-67829

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

Washington DC  
404

REPORT FOR THE PERIOD BEGINNING 01/01/2013 AND ENDING 12/31/2013  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Ascent Real Estate Securities, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
5690 DTC Boulevard, Suite 130-W

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street)  
Greenwood Village CO 80111  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Randy Lewis (303) 220-3866  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

(Name - if individual, state last, first, middle name)  
5251 S. Quebec Street, Suite 200 Greenwood Village CO 80111  
(Address) (City) (State) (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)

5/18/14

OATH OR AFFIRMATION

I, Randy Lewis, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Ascent Real Estate Securities, LLC, 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:

**JOSHUA D'ESTRADA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20054039340  
MY COMMISSION EXPIRES 11-15-2017**

Randy Lewis  
Signature

President

Title

Joshua D' Estrada  
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 of Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital (including reconciliation of X-17A-5 Part II filing with this Rule 17a-5(d) report, if applicable).
- (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 15c3-3 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) Independant Auditors' Report on Internal Accounting Control.

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

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**404**

ASCENT REAL ESTATE SECURITIES, LLC

STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2013

The report is filed in accordance with Rule 17a-5(e)(3) under the Securities Exchange Act of 1934 as a  
**PUBLIC DOCUMENT.**

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SPICER JEFFRIES LLP

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITORS' REPORT

To the Managing Member of  
Ascent Real Estate Securities, LLC

### *Report on the Financial Statements*

We have audited the accompanying statement of financial condition of Ascent Real Estate Securities, LLC (the "Company") as of December 31, 2013 that is 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 this financial statement 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 this financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on this financial statement 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 statement is 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 auditors' 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 statement 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, we 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 statement.

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 statement referred to above presents fairly, in all material respects, the financial position of Ascent Real Estate Securities, LLC as of December 31, 2013 in accordance with accounting principles generally accepted in the United States of America.

Greenwood Village, Colorado  
February 2, 2014



ASCENT REAL ESTATE SECURITIES, LLC

STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2013

ASSETS

Cash and cash equivalents	\$ 50,824
Commissions and fees receivable	<u>34,508</u>
	<u>\$ 85,332</u>

LIABILITIES AND MEMBER'S EQUITY

**LIABILITIES:**

Accounts payable and accrued expenses	\$ 31,638
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**CONTINGENCIES** (Note 4)

**MEMBER'S EQUITY** (Note 3)

	<u>53,694</u>
	<u>\$ 85,332</u>

## ASCENT REAL ESTATE SECURITIES, LLC

### NOTES TO THE STATEMENT OF FINANCIAL CONDITION

#### *NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

##### *Organization and Business*

Ascent Real Estate Securities, LLC (the "Company") is a Colorado limited liability company that was established to distribute The Global Real Estate Investments Fund (the "Fund"), registered under the Investment Company Act of 1940. The Company was formed on December 18, 2007 and commenced operations on June 3, 2008. The Company is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and is registered with the Securities and Exchange Commission ("SEC") as a licensed broker-dealer. The Company's sole member is Real Estate Securities Partners, LLC (the "Parent"), a Delaware limited liability company.

##### *15c3-3 Exemption*

The Partnership under Rule 15c3-3(k)(2)(i) is exempt from the customer reserve requirements and the possession or control requirements of Rule 15c3-3 of the SEC. The Partnership does not carry or clear customer accounts.

##### *Furniture and Equipment*

Furniture and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets of three to five years. Repairs and maintenance costs are expensed as incurred, and expenditures for additions and major improvements are capitalized.

##### *Revenue Recognition*

The Company records securities transactions and related revenue and expense on a trade date basis.

##### *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Company considers money market funds with a maturity of three months or less to be cash equivalents.

##### *Income Taxes*

The Company is not considered a separate taxable entity for tax purposes. All income is reported on the sole member's tax return.

The Company is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any tax related appeals or litigation processes, based on the technical merits of the position. The Company files an income tax return in the U.S. federal jurisdiction, and may file income tax returns in various U.S. states. The Company is not subject to income tax return examinations by major taxing authorities for years before 2010. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement.

ASCENT REAL ESTATE SECURITIES, LLC

NOTES TO THE STATEMENT OF FINANCIAL CONDITION

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(continued)

**NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(concluded)

**Income Taxes** (concluded)

De-recognition of the tax benefit previously recognized results in the Company recording a tax liability that reduces net assets. However, the Company's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to, on-going analyses of and changes to tax laws, regulations and interpretations thereof. The Company recognizes interest accrued related to unrecognized tax benefits and penalties related to unrecognized tax benefits in income taxes payable, if assessed. No interest expense or penalties have been recognized as of and for the year ended December 31, 2013.

**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 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 2 - LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

The Company had borrowed money under a subordinated agreement with a member of the Company's Parent. The subordinated debt of \$60,000 was paid in full during 2013.

The subordinated borrowing was covered by an agreement approved by FINRA and was thus available in computing net capital under the Securities and Exchange Commission's uniform net capital rule. To the extent that such borrowing was required for the Company's continued compliance with minimum net capital requirements, it may not have been repaid.

**NOTE 3 - NET CAPITAL REQUIREMENTS**

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 under such provisions. As of December 31, 2013, the Company had net capital and net capital requirements of \$19,186 and \$5,000, respectively. The Company's net capital ratio (aggregate indebtedness to net capital) was 1.65 to 1. According to Rule 15c3-1, the Company's net capital ratio shall not exceed 15 to 1.

ASCENT REAL ESTATE SECURITIES, LLC

NOTES TO THE STATEMENT OF FINANCIAL CONDITION

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*(concluded)*

**NOTE 4 - FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISKS  
AND UNCERTAINTIES**

The Company's financial instruments, including cash and cash equivalents, commissions and fees receivable and accounts payable and accrued expenses are carried at amounts which approximate fair value due to the short-term nature of those instruments.

As the distributor of the Fund, the Company earns a selling concession on all Fund sales. Substantially all of the Company's revenue is generated from selling interests in the Fund. Therefore the Company is considered economically dependent on the Fund's operations and may be affected by downturns in the real estate market and its ability to raise capital during distressed economic conditions.

**NOTE 5 - SUBSEQUENT EVENTS**

The Company has performed an evaluation of subsequent events through the date the financial statements were issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.