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**MAR 04 2014**

**Washington DC  
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**CIRRUS RESEARCH, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
December 31, 2013

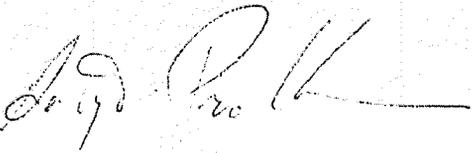
OATH OR AFFIRMATION

I, Satya Pradhuman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Cirrus Research, LLC (A Limited Liability Company), 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:

THIRZA T. MORAN  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01MO6213717  
Qualified In New York County  
My Commission Expires November 16, 2017

Signature

Title

  
CEO



Notary Public

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

- X (a) Facing page.
- X (b) Statement of Financial Condition.
- X (c) Statement of Income (Loss).
- X (d) Statement of Cash Flows.
- X (e) Statement of Changes in Member's Equity or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- X (g) Computation of Net Capital.
- (h) Computation of Determination for Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- X (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.
- X (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with focus report.
- X (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.
- X (o) Auditors' Report on Internal Control Structure Required by SEC Rule 17a-5.



LIPNER, SOFFERMAN & CO., LLP  
CERTIFIED PUBLIC ACCOUNTANTS

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CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of Cirrus Research, LLC

We have audited the accompanying statement of financial condition of Cirrus Research, LLC 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 the statement of financial condition 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 the statement of financial condition that is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the statement of financial condition 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 statement of financial condition is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement of financial condition, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statement of financial condition 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 entity'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 statement of financial condition.

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

LIPNER, SOFFERMAN & CO., LLP

Jericho, NY  
February 26, 2014

**CIRRUS RESEARCH, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2013**

**ASSETS**

Cash and cash equivalents	\$ 270,995
Equipment and leasehold improvements (net of accumulated depreciation of \$54,598)	-
Accounts receivable	35,000
Prepaid expense	17,452
Security deposits	<u>19,684</u>
Total assets	<u>\$ 343,131</u>

**LIABILITIES AND MEMBERS' EQUITY**

**Liabilities:**

Accounts payable and accrued expenses	<u>\$ 47,746</u>
Total liabilities	<u>47,746</u>

**Commitments and Contingencies (Note 5)**

**MEMBERS' EQUITY**

	<u>295,385</u>
Total liabilities and Members' Equity	<u>\$ 343,131</u>

*The accompanying notes are an integral part of this statement.*

**CIRRUS RESEARCH, LLC**

**(A LIMITED LIABILITY COMPANY)**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2013**

1. **Statement of Significant Accounting Policies (continued):**

**Leases:**

The Company leases office space pursuant to a lease agreement expiring December 31, 2018. Rental payments plus escalation for real estate taxes, are paid monthly.

The minimum lease payments for the lease term are:

<u>Year Ended</u> <u>December 31,</u>	
2014	\$ 76,812
2015	\$ 78,169
2016	\$ 79,527
2017	\$ 80,884
2018	\$ 82,242
	<u>\$397,634</u>

**Income Taxes:**

No provision for federal and state income taxes is made in these financial statements as these taxes are the responsibility of the member under this form of organization.

2. **Net Capital Requirements:**

Cirrus Research, LLC (A Limited Liability Company) is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (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 (the rule of the New York Stock Exchange also provides that equity capital may not be withdrawn if the resulting net capital ratio would exceed 15 to 1). At December 31, 2013, Cirrus Research, LLC (A Limited Liability Company) had net capital of \$222,878 after adjustments for non-allowable assets, which was \$217,878 in excess of its required net capital. Cirrus Research, LLC (A Limited Liability Company)'s net capital ratio was .2142 to 1.

**CIRRUS RESEARCH, LLC**

**(A LIMITED LIABILITY COMPANY)**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**DECEMBER 31, 2013**

**3. Financial Instruments with Off-Balance Sheet Credit Risk:**

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company's transactions are collateralized and are executed with and on behalf of banks, brokers and dealers and other financial institutions. The Company introduces these transactions for clearance to other broker/dealers on a fully disclosed basis.

The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to satisfy their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing brokers provides that the Company is obligated to assume any exposure related to such non-performance by its customers. The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing brokers internal guidelines. The Company monitors its customers' activity by reviewing information it receives from its clearing brokers on a daily basis, and requiring customers to deposit additional collateral, or reduce positions when necessary.

**4. Commitments and Contingencies:**

The Company had no significant contingent liabilities requiring disclosure in the financial statements.