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

SEC

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

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 01/01/2013 AND ENDING 12/31/2013  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Palm Beach Securities, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
11770 US Highway1, Suite 600  
(No. and Street)

OFFICIAL USE ONLY
FIRM I.D. NO.

North Palm Beach Florida 33408  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Thomas E. Hamilton 561-514-5585  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
Kaufman Rossin & Co.  
(Name - if individual, state last, first, middle name)

2699 S. Bayshore Drive Miami Florida 33133  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

- Certified Public Accountant
- Public Accountant
- Accountant not resident in the 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 public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17 a-5(e) (2)

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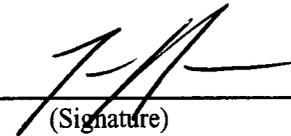
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# OATH OR AFFIRMATION

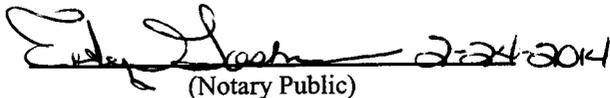
I, Thomas E. Hamilton, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Palm Beach Securities, LLC, as of December 31, 2013, are true and correct. I further swear (or affirm) that neither the company 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:

No exceptions



  
(Signature)

CFO & FINOP  
(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 Changes in Financial Condition. (Cash Flows)
- (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 auditors' report on internal control required by SEC Rule 17a-5.

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

A report containing a statement of financial condition has been included; accordingly it is requested that this report be given confidential treatment.

# **Palm Beach Securities, LLC**

(a Development Stage Company)

Statement of Financial Condition

December 31, 2013

**KAUFMAN  
ROSSIN &  
CO.** PROFESSIONAL  
ASSOCIATION  
CERTIFIED PUBLIC ACCOUNTANTS

## **C O N T E N T S**

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## **INDEPENDENT AUDITORS' REPORT**

Palm Beach Securities, LLC  
North Palm Beach, FL

We have audited the accompanying statement of financial condition of Palm Beach Securities, LLC as of December 31, 2013, and the related notes to the statement of financial condition.

### *Management's Responsibility for the Statement of Financial Condition*

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 of 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 Palm Beach Securities, LLC as of December 31, 2013, in accordance with accounting principles generally accepted in the United States of America.



February 21, 2014  
Miami, Florida

**KAUFMAN  
ROSSIN &  
CO.** PROFESSIONAL  
ASSOCIATION  
CERTIFIED PUBLIC ACCOUNTANTS

**Praxity**  
MEMBER  
GLOBAL ALLIANCE OF  
INDEPENDENT FIRMS

**PALM BEACH SECURITIES, LLC**  
(A DEVELOPMENT STAGE COMPANY)  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2013

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**ASSETS**

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CASH	\$	15,457
PREPAID EXPENSES AND OTHER ASSETS		1,681
	\$	17,138

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**LIABILITIES AND MEMBERS' EQUITY**

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LIABILITIES

Accounts payable and accrued expenses	\$	770
Due to affiliate (Note 2)		3,461
Total liabilities		4,231

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MEMBERS' EQUITY

Member contributions		110,471
Deficit accumulated during the development stage	(	97,564)
Total members' equity		12,907

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\$ 17,138

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See accompanying notes.

**PALM BEACH SECURITIES, LLC**  
(A DEVELOPMENT STAGE COMPANY)  
NOTES TO FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***Description of Business and Organization***

Palm Beach Securities, LLC (the “Company”) a Delaware corporation, is an 85% owned subsidiary of Jacobs Investments, Inc. (the “Parent Company”). The Company was incorporated on February 21, 2012, and was approved as a broker-dealer by the Financial Industry Regulatory Authority, Inc. (FINRA) on April 24, 2013. The Company is registered under the Securities Exchange Act of 1934, and is a member of FINRA.

The Company is approved to conduct the following business activities: broker or dealer selling tax shelters or limited partnerships in primary distributions; private placements of securities; real estate syndicator; and, certain investment banking advisory services, including: merger and acquisition advisory services, capital structure (strategic) advisory services, and deal valuation.

***Basis of Presentation – Development Stage Company***

The Company’s activities have been accounted for as those of a “Development Stage Company.” The Company’s activities to date have consisted of fund raising and obtaining approval to operate as a broker-dealer. The Company has no revenue from operations.

***Government and Other Regulation***

The Company is subject to significant regulation by various governmental agencies and self-regulatory organizations. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Company is conducting and reporting its operations in accordance with the applicable requirements of these organizations.

***Cash***

The Company may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits.

***Income Taxes***

The Company is a limited liability corporation. Instead of paying corporate income taxes, the members are taxed individually on the Company’s taxable income. Therefore, no liability for federal or state income taxes has been recognized in the accompany financial statements.

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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***Income Taxes (continued)***

The Company assesses its tax positions in accordance with "Accounting for Uncertainties in Income Taxes" as prescribed by the Accounting Standards Codification, which provides guidance for financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return for open tax years (generally a period of three years from the later of each return's due date or the date filed) that remain subject to examination by the Company's major tax jurisdictions. The Company's tax returns since inception in 2012 remain subject to examination by its taxing authorities.

The Company assesses its tax positions and determines whether it has any material unrecognized liabilities for uncertain tax positions. The Company records these liabilities to the extent it deems them more likely than not to be incurred. Interest and penalties related to uncertain tax positions, if any, would be classified as a component of income tax expense.

The Company believes that it does not have any significant uncertain tax positions requiring recognition or measurement in the accompanying financial statements.

***Revenue Recognition***

The Company recognizes its revenue as services are provided and collection is reasonably assured.

***Use of Estimates in the Preparation of Financial Statements***

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 as of the statement of financial condition date. Actual results could differ from those estimates.

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**NOTE 2. RELATED PARTY TRANSACTIONS**

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Certain managing members of the Company are also officers of the Parent Company. The individual entities share common office facilities and personnel. Various expenses have been allocated between the companies based upon services rendered by common personnel and usage of common office facilities. The Company has an expense sharing agreement for services with the Parent Company on an annual basis. The balance due to the affiliate, related to the agreement, at December 31, 2013, is \$3,461.

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**NOTE 3. NET CAPITAL REQUIREMENTS**

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As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule of the Securities and Exchange Commission, which requires that "Net Capital", as defined, shall be at least the greater of \$5,000 or 6 2/3% (one-eighth for the initial year and one-fifteenth thereafter) of "Aggregate Indebtedness", as defined. At December 31, 2013, the Company's "Net Capital" was \$11,226 which exceeded the requirements by \$6,226 and the ratio of "Aggregate Indebtedness" to "Net Capital" was 0.38 to 1.



SEE BEYOND THE NUMBERS

**KAUFMAN  
ROSSIN &  
CO.** PROFESSIONAL  
ASSOCIATION  
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[www.kaufmanrossin.com](http://www.kaufmanrossin.com)