



SEC 15026326 MISSION

Washington, D.C. 20547

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

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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 01/01/2014 AND ENDING 12/31/2014 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Ascendant Capital Markets, LLC

OFFICIAL USE ONLY FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 18881 Von Karman, 16th Floor

(No. and Street)

Irvine

CA

92612

(City)

(State)

(Zip Code)

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

Michael Brown

(404) 303-8840

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Anton & Chia, LLP

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

3501 Jamboree Road, Suite 540

Newport Beach,

CA

SECURITIES AND EXCHANGE COMMISSION

(Address)

(City)

(State)

RECEIVED 92612

CHECK ONE:

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

MAY 20 2015

DIVISION OF TRADING & MARKETS

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 5/22/15

OATH OR AFFIRMATION

I, Michael Brown, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Ascendant Capital Markets, LLC of December 31, 2014, 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:

NONE



Bengie Marie S. DiAngelo
Notary Public

Michael Brown
Signature

Financial Principal

Title

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.

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

**ASCENDIANT CAPITAL MARKETS, LLC**  
**REPORT PURSUANT TO RULE 17a-5(d)**  
**AS OF AND FOR THE YEAR ENDED**  
**DECEMBER 31, 2014**

# ASCENDIANT CAPITAL MARKETS, LLC

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## CERTIFIED PUBLIC ACCOUNTANTS

### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders  
of Ascendant Capital Markets, LLC

We have audited the accompanying financial statements of Ascendant Capital Markets, LLC (the "Company") (a California corporation), which comprise the statement of financial condition as of December 31, 2014, and the related statements of income, changes in member's equity, 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 and supplemental information. The Company's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of the Company as of December 31, 2014, 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.

The computation of Net Capital Pursuant to Rule 15c3-1 has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplemental information is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Anton & Chia, LLP

Newport Beach, CA

February 27, 2015

**ASCENDIANT CAPITAL MARKETS, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2014**

**ASSETS**

Current assets:

|                                 |               |
|---------------------------------|---------------|
| Cash                            | \$ 51,521     |
| Due from clearing broker        | 1,362,210     |
| Securities owned, at fair value | 106,476       |
| Deposit with clearing broker    | 100,001       |
| Commissions receivable          | 23,573        |
| Other receivables               | 766           |
| Other assets                    | <u>26,856</u> |

***Total assets*** \$ 1,671,403

**LIABILITIES AND MEMBER'S EQUITY**

**LIABILITIES:**

|   |                |
|---|----------------|
| Accounts payable and accrued expenses             | \$ 504,402     |
| Commissions and salaries payable                  | 263,059        |
| Securities sold, not yet purchased, at fair value | 98,541         |
| Due to clearing broker                            | <u>180,851</u> |

***Total liabilities*** 1,046,853

**COMMITMENTS AND CONTINGENCIES (Notes 3 and 5)**

**MEMBER'S EQUITY (Note 2)** 624,550

**Total liabilities and member's equity** \$ 1,671,403

**ASCENDIANT CAPITAL MARKETS, LLC**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**REVENUE:**

|                      |                  |
|----------------------|------------------|
| Commissions          | \$ 3,693,119     |
| Trading profits, net | <u>3,938,867</u> |
| <i>Total revenue</i> | 7,631,986        |

**EXPENSES: (Note 3)**

|                                    |                  |
|------------------------------------|------------------|
| Commissions, salaries and benefits | 4,182,290        |
| Clearing costs                     | 545,621          |
| General and administrative         | 209,251          |
| Occupancy and equipment            | 281,563          |
| Communications                     | 303,780          |
| Regulatory fees                    | 299,806          |
| Professional fees                  | <u>474,478</u>   |
| <i>Total expenses</i>              | <u>6,296,789</u> |

**NET INCOME** **\$ 1,335,197**

The accompanying notes are an integral part of these audited financial statements.

ASCENDIANT CAPITAL MARKETS, LLC

STATEMENT OF CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014

|                            |                   |
|----------------------------|-------------------|
| BALANCE, December 31, 2013 | \$ 1,004,353      |
| Contributions              | 65,000            |
| Distributions              | (1,780,000)       |
| Net income                 | <u>1,335,197</u>  |
| BALANCE, December 31, 2014 | <u>\$ 624,550</u> |

The accompanying notes are an integral part of these audited financial statements.

**ASCENDIANT CAPITAL MARKETS, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

|  |                    |
|--|--------------------|
| Net income   | \$ 1,335,197       |
| Adjustments to reconcile net income to net cash provided<br>by operating activities: |                    |
| Decrease in due from clearing broker   | 1,033,031          |
| Decrease in other receivables  | 47,556             |
| Decrease in commissions receivable   | 34,592             |
| Decrease in securities owned   | 1,152,748          |
| Decrease in deposit with clearing broker   | 150,010            |
| Decrease in other assets   | 12,563             |
| Increase in accounts payable and accrued expenses                                    | 177,863            |
| Increase in commissions and salaries payable   | 26,783             |
| Decrease in securities sold, not yet purchased                                       | (273,592)          |
| Decrease in due to clearing broker   | <u>(2,003,795)</u> |
| <i>Net cash provided by operating activities</i>                                     | <u>1,692,956</u>   |

**CASH FLOWS FROM FINANCING ACTIVITIES:**

|  |                    |
|--|--------------------|
| Contributions from member                    | 65,000             |
| Distributions to member                      | <u>(1,780,000)</u> |
| <i>Net cash used in financing activities</i> | <u>(1,715,000)</u> |

|                                   |                         |
|-----------------------------------|-------------------------|
| <b>NET DECREASE IN CASH</b>       | (22,044)                |
| <b>CASH, at beginning of year</b> | <u>73,565</u>           |
| <b>CASH, at end of year</b>       | <u><u>\$ 51,521</u></u> |

The accompanying notes are an integral part of these audited financial statements.

## ASCENDIANT CAPITAL MARKETS, LLC

### NOTES TO FINANCIAL STATEMENTS

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

##### **Organization and Business**

Ascendant Capital Markets, LLC (the "Company") is a single member limited liability company and was organized in the State of Nevada on January 4, 2010. The Company was approved on February 28, 2011 to operate as a securities broker-dealer and is registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company earns revenues from proprietary trading and the sale of securities on a fully disclosed basis. The Company is a wholly owned subsidiary of Ascendant Capital Partners, LLC ("Parent").

##### **Clearing Agreement**

The Company, under Rule 15c3-3(k)(2)(ii), is exempt from both the customer reserve requirement and the possession and control requirements of Rule 15c3-3 of the Securities and Exchange Commission. The Company does not carry or clear customer accounts. Accordingly, all customer transactions are executed and cleared on behalf of the Company by its clearing broker on a fully disclosed basis. The Company's agreements with its clearing brokers provides that as clearing broker, that firm will make and keep such records of the transactions effected and cleared in the customer accounts as are customarily made and kept by a clearing broker pursuant to the requirements of Rules 17a-3 and 17a-4 of the Securities and Exchange Act of 1934, as amended (the "Act"). It also performs all services customarily incident thereon, including the preparation and distribution of customer's confirmation and statements and maintenance margin requirements under the Act and the rules of the Self-Regulatory Organizations of which the Company is a member.

##### **Securities Valuation and Revenue Recognition**

The Company records proprietary transactions, commission revenue and related expenses on a trade date basis. Interest and dividend income are recognized in the period earned.

The Company values its securities in accordance with Accounting Standards Codification 820 - Fair Value Measurements ("ASC 820"). Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various valuation approaches. ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs reflect the Company's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

ASCENDIANT CAPITAL MARKETS, LLC

**NOTES TO FINANCIAL STATEMENTS**

*(Continued)*

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

**Securities Valuation and Revenue Recognition** *(continued)*

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and blockage discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined by the lowest level input that is significant to the fair value measurement.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, the Company's own assumptions are set to reflect those that market participants would use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market dislocation. In periods of market dislocation, the observability of prices and inputs may be reduced for many securities. This condition could cause a security to be reclassified to a lower level within the fair value hierarchy.

The Company values investments in securities owned and securities sold, not yet purchased based on quoted prices in active markets. These are considered Level 1 securities for active markets and Level 2 securities for thinly traded markets.

ASCENDIANT CAPITAL MARKETS, LLC

NOTES TO FINANCIAL STATEMENTS

(Continued)

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

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.

Cash Equivalents

The Company considers all liquid investments with original maturities of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2014.

Income Taxes

All income and losses of the Company are passed through to the Parent and the Parent's members report these on their individual income tax returns. There is no entity level tax for the Company for federal income tax purposes. The State of California imposes an \$800 annual tax per year and a gross receipts fee based on total revenue from all sources reportable to the state.

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 (year of inception). 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. De-recognition of a 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 and penalties have been recognized as of and for the year ended December 31, 2014.

**NOTE 2 - NET CAPITAL**

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. At December 31, 2014, the Company had net capital and net capital requirements of \$563,410 and \$100,000, respectively. The Company's net capital ratio (aggregate indebtedness to net capital) was 1.50 to 1. According to Rule 15c3-1, the Company's net capital ratio shall not exceed 15 to 1.

ASCENDIANT CAPITAL MARKETS, LLC

NOTES TO FINANCIAL STATEMENTS

(Continued)

**NOTE 3 - COMMITMENTS AND RELATED PARTY TRANSACTIONS**

The Company has entered into an Expense Sharing and Administrative Services Agreement (“Agreement”) with an affiliated company. Under the Agreement the Company paid the related entity \$19,715 for rent and other expenses and at December 31, 2014, included in accounts payable and accrued liabilities was \$8,097 due to this related entity. On a recurring basis, the Company makes distributions to its Parent based on the Company’s earnings.

**NOTE 4 - FAIR VALUE MEASUREMENTS**

The Company’s assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy in accordance with ASC 820. See Note 1 for a discussion of the Company’s policies.

The following table presents information about the Company’s assets and liabilities measured at fair value as of December 31, 2014.

|  | Quoted Prices in<br>Active Markets<br>for Identical<br>Assets (Level 1) | Significant Other<br>Observable Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Balances as of<br>December 31, 2014 |
|--|---|---|--|-------------------------------------|
| <b>Securities owned:</b>                         |   |   |  |                                     |
| Common stock, including exchange<br>traded funds | \$ 85,834   | \$ 20,642   | \$ -   | \$ 106,476                          |
| <b>Securities sold, not yet purchased:</b>       |   |   |  |                                     |
| Common stock, including exchange<br>traded funds | \$ 98,541   | \$ -  | \$ -   | \$ 98,541                           |

The Company did not have significant transfers between Level 1 and Level 2 during the period ended December 31, 2014.

**ASCENDIANT CAPITAL MARKETS, LLC**

**NOTES TO FINANCIAL STATEMENTS**

*(Concluded)*

***NOTE 5 - FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISKS  
AND UNCERTAINTIES***

In the normal course of business, the Company's activities through its clearing broker involve the execution, settlement and financing of various customer securities transactions. These activities may expose the Company to off-balance sheet risk. In the event a customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at prevailing market prices in order to fulfill the customer's obligations.

In the Company's trading activities, the Company has purchased and sold securities for its own account and may incur losses if the market value of the securities changes subsequent to December 31, 2014.

In addition, the Company bears the risk of financial failure by its clearing broker. If the clearing broker should cease doing business, the Company's receivable and deposit from this clearing broker could be subject to forfeiture.

The Company's financial instruments, including due from broker, deposit with clearing broker, receivables, other assets, accounts payable and accrued expenses, commissions and salaries payable and due to clearing broker are carried at amounts that approximate fair value, due to the short-term nature of the instruments. Securities owned and securities sold, but not yet purchased are valued as described in Note 1.

The Company also maintains its cash balances in a financial institution, which at times may exceed federally insured limits. As of December 31, 2014, the Company had no amounts in excess of the federally insured limit. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

***NOTE 6 - SUBSEQUENT EVENTS***

The Company has performed an evaluation of subsequent events through date the financial statements were issued, which was February 27, 2015. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.

**SUPPLEMENTARY INFORMATION**

**COMPUTATION OF NET CAPITAL PURSUANT  
TO SEC UNIFORM NET CAPITAL RULE 15c3-1  
AS OF DECEMBER 31, 2014**

**CREDIT:**

|                 |                   |
|-----------------|-------------------|
| Member's equity | \$ <u>624,550</u> |
|-----------------|-------------------|

**DEBITS:**

|                      |              |
|----------------------|--------------|
| Nonallowable assets: |              |
| Other assets         | 26,857       |
| Other receivables    | 766          |
| Blockage deduction   | <u>5,797</u> |

|                     |               |
|---------------------|---------------|
| <i>Total debits</i> | <u>33,420</u> |
|---------------------|---------------|

|                                    |         |
|------------------------------------|---------|
| <i>Net capital before haircuts</i> | 591,130 |
|------------------------------------|---------|

|   |               |
|---|---------------|
| Haircuts on securities, includes a limited trading charge of \$14,845 | <u>27,720</u> |
|---|---------------|

**NET CAPITAL**

|   |                |
|---|----------------|
| Minimum requirements of 6-2/3% of aggregate indebtedness of \$847,633,<br>\$100,000 or market maker requirements of \$85,500,<br>whichever is greater | <u>100,000</u> |
|---|----------------|

|                           |                          |
|---------------------------|--------------------------|
| <i>Excess net capital</i> | <u><u>\$ 463,410</u></u> |
|---------------------------|--------------------------|

**AGGREGATE INDEBTEDNESS:**

|  |                  |
|--|------------------|
| Accounts payable and accrued expenses          | \$ 504,402       |
| Commissions and salaries payable               | 263,059          |
| Due to clearing broker                         | 180,851          |
| Less: liabilities adequately secured by assets | <u>(100,679)</u> |

|                                     |                          |
|-------------------------------------|--------------------------|
| <i>Total aggregate indebtedness</i> | <u><u>\$ 847,633</u></u> |
|-------------------------------------|--------------------------|

|   |                         |
|---|-------------------------|
| <b>RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL</b> | <u><u>1.50 to 1</u></u> |
|---|-------------------------|

**NOTE:** There are no material differences between the above computation of net capital and the corresponding computation by the Company with the unaudited Form X-17A-5 as of December 31, 2014.



CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member of  
Ascendant Capital Markets, LLC

We have reviewed management's statements, included in the accompanying Exemption Report in which (1) Ascendant Capital Markets, LLC identified the following provision of 17 C.F.R 15c3-3k under which Ascendant Capital Markets, LLC claimed an exemption from 17 C.F.R 240.15c3-3: (2)(ii) the exemption provisions and (2) Ascendant Capital Markets, LLC stated that Ascendant Capital Markets, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Ascendant Capital Markets, LLC management is responsible for compliance with the identified exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and accordingly included inquiries and other required procedures to obtain evidence about Ascendant Capital Markets, LLC compliance with the exemption provisions review is substantially less in scope that an examination the objective of which is the expression of an opinion on managements statements. Accordingly we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to managements statements referred to above for them to be fairly stated in all material respects based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities and Exchange Act of 1934.

/s/ Anton & Chia, LLP  
February 27, 2015

**ASCENDIANT CAPITAL MARKETS, LLC**

**EXEMPTION REPORT  
REQUIREMENT FOR BROKER/DEALERS UNDER  
RULE 17a-5 OF THE SECURITIES EXCHANGE ACT OF 1934**

**December 31, 2014**

To the best knowledge and belief of Ascendant Capital Markets, LLC:

The Company claimed the (k)(2)(ii) exemption provision from Rule 15c3-3 of the Securities Exchange Act of 1934.

The Company met the (k)(2)(ii) exemption provision from Rule 15c3-3, without exception, throughout the most recent fiscal year ending December 31, 2014.



---

Michael O. Brown  
Financial and Operations Principal



**CERTIFIED PUBLIC ACCOUNTANTS**

**INDEPENDENT ACCOUNTANTS' AGREED-UPON PROCEDURES REPORT ON SCHEDULE  
OF ASSESSMENT AND PAYMENTS (FORM SIPC-7)**

To the Member of  
Ascendant Capital Markets, LLC

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 (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2014, which were agreed to by Ascendant Capital Markets, LLC (the Company) and the Securities and Exchange Commission, Financial Industry Regulatory Authority Inc. (FINRA) and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of Form SIPC-7. Ascendant Capital Markets, LLC's management is responsible for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). 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 records entries, noting no differences.
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2014, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2014, noting no differences.
3. Compare any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences.
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
5. Compare the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be an 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.

/s/ Anton & Chia, LLP

Newport Beach, CA  
February 27<sup>th</sup>, 2015

**SIPC-7**

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION  
P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300  
**General Assessment Reconciliation**

**SIPC-7**

(33-REV 7/10)

For the fiscal year ended December 31, 2014

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

8-66203 FINRA DEC  
Ascendant Capital Markets LLC  
18881 Von Karmon Ave - 16th Floor  
Irvine CA 92612

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.  
Michael Brown 404-303-8840 x 1005

|  |           |
|--|-----------|
| 2. A. General Assessment item 2e from page 2:  | \$ 17,921 |
| B. Less payment made with SIPC-6 filed (exclude interest)<br>July 2014                         | 11,407    |
| Date Paid  |           |
| C. Less prior overpayment applied  | 0         |
| D. Assessment balance due or (overpayment):  | 6,514     |
| E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum       |           |
| F. Total assessment balance and interest due (or overpayment carried forward):                 | \$ 6,514  |
| G. PAID WITH THIS FORM.<br>Check enclosed, payable to SIPC<br>Total (must be same as F above): | \$ 6,514  |
| H. Overpayment carried forward   | \$( 0 )   |

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):  
\_\_\_\_\_  
\_\_\_\_\_

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

Ascendant Capital Markets LLC  
*Michael Brown*  
\_\_\_\_\_  
Financial & Operations Principal

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER**  
Dates: \_\_\_\_\_  
Postmarked \_\_\_\_\_ Received \_\_\_\_\_ Reviewed \_\_\_\_\_  
Calculations \_\_\_\_\_ Documentation \_\_\_\_\_ Forward Copy \_\_\_\_\_  
Exceptions: \_\_\_\_\_  
Disposition of exceptions: \_\_\_\_\_

**DETERMINATION OF "SIPC NET OPERATING REVENUES"  
AND GENERAL ASSESSMENT**

Amounts for the fiscal period  
beginning January 1, 2014  
and ending December 31, 2014  
**Eliminate cents**

**Item No.**

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 7,631,938

**2b. Additions:**

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a.
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.
- (7) Net loss from securities in investment accounts.

Total additions

**2c. Deductions:**

- (1) 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.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers' acceptances or commercial paper that mature nine months or less from issuance date.
- (7) 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).
- (8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):

(454,849)

(8,734)

(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.

\$ \_\_\_\_\_

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ \_\_\_\_\_

Enter the greater of line (i) or (ii)

Total deductions

(463,583)

2d. SIPC Net Operating Revenues

\$ 7,168,355

2e. General Assessment @ .0025

\$ 17,921

(to page 1, line 2.A.)