

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 18 2015

SEC FILE NUMBER  
8-67987

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

REPORT FOR THE PERIOD BEGINNING 1/1/2014 AND ENDING 12/31/2014  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **E.K. WALLACE SECURITIES LLC**

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**270 LAFAYETTE ST., SUITE 1204**

**NEW YORK** (No. and Street) **NY** **10012**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**EVERETT K. WALLACE** **212-965-1400**  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
**RUBIO CPA, PC**

**900 CIRCLE 75 PARKWAY, SUITE 1100** **ATLANTA** **GA** **30339**  
(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**

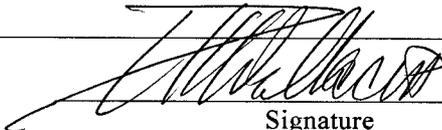
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

2/19/15

OATH OR AFFIRMATION

I, EVERETT K. WALLACE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of E.K. WALLACE SECURITIES LLC, as of DECEMBER 31, 20 14, 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

DIANNE M. BROWN CEO  
NOTARY PUBLIC, STATE OF NEW YORK Title  
QUALIFIED IN NEW YORK COUNTY  
REG. #01BR6178963  
MY COMM. EXPIRES 12/17/2015

  
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 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).

**E.K. WALLACE SECURITIES, LLC**

Financial Statements  
For the Fiscal Year End December 31, 2014  
With  
Report of Independent Registered Public  
Accounting Firm

**REPORT OF INDEPENDENT  
REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member of  
E. K. Wallace Securities, LLC

We have audited the accompanying financial statements of E. K. Wallace Securities, LLC which comprise the statement of financial condition as of December 31, 2014, and the related statements of operations, 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. E. K. Wallace Securities, LLC 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. An audit also includes 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 of our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of E. K. Wallace Securities, LLC as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

The information contained in Schedules I, II and III has been subjected to audit procedures performed in conjunction with the audit of E. K. Wallace Securities, LLC financial statements. The information is the responsibility of E. K. Wallace Securities, LLC management. Our audit procedures included determining whether the information in Schedules I, II and III 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 accompanying schedules. In forming our opinion on the accompanying schedules, we evaluated whether the supplemental information, including its form and content, is presented in conformity Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the aforementioned supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

February 9, 2015  
Atlanta, Georgia



RUBIO CPA, PC

**E.K. WALLACE SECURITIES, LLC  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2014**

**ASSETS**

Cash and cash equivalents	\$ 21,912
Securities owned	1
Prepaid expenses and deposits	<u>6,278</u>
Total assets	<u><u>28,191</u></u>

**LIABILITIES AND MEMBER'S EQUITY**

<b>LIABILITIES</b>	
Accounts payable	3,062
Accrued expenses	<u>111</u>
Total liabilities	<u>3,173</u>
<b>MEMBER'S EQUITY</b>	
Total liabilities and member's equity	<u><u>\$ 28,191</u></u>

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

**E.K. WALLACE SECURITIES, LLC  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

REVENUES	
Investment banking	\$ 55,242
	<hr/>
Total revenues	55,242
	<hr/>
GENERAL AND ADMINISTRATIVE EXPENSES	
Compensation and benefits	3,719
Professional services	19,648
Occupancy and equipment	8,388
Insurance	844
Licenses and registration	717
IT, data and communications	360
Office expenses	131
Other expenses	15
	<hr/>
Total expenses	33,822
	<hr/>
NET INCOME	\$ 21,420
	<hr/> <hr/>

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

**E.K. WALLACE SECURITIES, LLC  
STATEMENT OF CHANGES IN MEMBER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Total</u>
Balance, December 31, 2013	\$ 13,798
Member's contributions	11,800
Member's distributions	(22,000)
Net Income	<u>21,420</u>
Balance, December 31, 2014	<u>\$ 25,018</u>

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

**E.K. WALLACE SECURITIES, LLC  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net Income	\$ 21,420
Adjustments to reconcile net loss to net cash used by operating activities:	
Change in prepaid expenses and deposits	(4,503)
Change in accounts payable	1,502
Change in accrued expenses	6
	6

**NET CASH PROVIDED BY OPERATING ACTIVITIES**

18,425

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Members' contributions	11,800
Members' distributions	(22,000)
	(22,000)

**NET CASH USED BY FINANCING ACTIVITIES**

(10,200)

**NET INCREASE IN CASH AND CASH EQUIVALENTS**

8,225

**CASH AND CASH EQUIVALENTS:**

Beginning of period	13,687
	13,687
End of period	\$ 21,912
	21,912

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

**E. K. WALLACE SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

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

Organization and Description of Business: The Company is a registered broker dealer organized under the laws of the state of New York in December 2007 that began business in March 2011. The Company is registered with the Securities and Exchange Commission, the Financial Industry Regulatory Authority and the securities commissions of appropriate states. The Company's primary business is investment banking services.

Cash and Cash Equivalents: The Company considers all cash and money market instruments with a maturity of ninety days or less to be cash and cash equivalents.

The Company maintains its bank accounts in high credit quality institutions. Deposits at times may exceed federally insured limits.

Income Taxes: The Company has elected to be taxed as a sole proprietorship. Therefore the income or losses of the Company flow through to its member and no income taxes are recorded in the accompanying financial statements.

The Company has adopted the provisions of FASB Accounting Standards Codification 740-10, Accounting for Uncertainty in Income Taxes. Under ASC 740-10, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a tax return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

The Company, which files income tax returns in the U.S. federal jurisdiction and various state jurisdictions, is not subject to U.S. federal income tax examination by tax authorities for years before 2011.

Estimates: Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

Date of Management's Review: Subsequent events were evaluated through February 9, 2015, which is the date the financial statements were available to be issued.

**E. K. WALLACE SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

**NOTE 2 - NET CAPITAL**

The Company, as a registered broker dealer, is subject to the Securities and Exchange Commission 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. At December 31, 2014, the Company had net capital of \$18,739, which was \$13,739 in excess of its required net capital of \$5,000, and the ratio of aggregate indebtedness to net capital was 0.1693 to 1.

**NOTE 3 - FAIR VALUE MEASUREMENTS**

The Company has certain investments reported in the accompanying statement of financial condition. FASB ASC 820-10-50-1 through 50-3 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Financial assets and liabilities valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets and liabilities valued using level 2 inputs are based primarily on quoted prices for similar assets or liabilities in active or inactive markets. Financial assets and liabilities using level 3 inputs are primarily valued using management's assumptions about the assumptions market participants would utilize in pricing the asset or liability.

The following schedule details the level of the Company's financial instruments measured on a recurring basis:

	Fair Value Measurement at Reporting Date Using Description			
	12/31/2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Securities owned	\$ 1	\$ -	\$ -	\$ 1

**NOTE 4 - RELATED PARTIES**

The Company leases office facilities from an affiliate, E.K. Wallace, LLC, under a sublease that expired December 2014. Rent expense under the agreement for 2014 was approximately \$8,400.

Financial position and results of operations might differ from the amounts in the accompanying financial statements if this related party transaction did not exist.

**E. K. WALLACE SECURITIES, LLC  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2014**

**NOTE 5 - CONCENTRATIONS**

All of the Company's revenues earned during 2014 were earned from one customer.

**NOTE 6 - CONTINGENCIES**

The Company is subject to litigation in the normal course of business. The Company has no litigation in progress at December 31, 2014.

SUPPLEMENTAL INFORMATION

E.K. WALLACE SECURITIES, LLC

SCHEDULE I  
COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1  
OF THE SECURITIES AND EXCHANGE COMMISSION ACT OF 1934  
AS OF DECEMBER 31, 2014

NET CAPITAL:

Total member's equity	\$ 25,018
Less non-allowable assets:	
Securities owned	1
Prepaid expenses and deposits	<u>6,278</u>
Net capital before haircuts	18,739
Less haircuts	<u>-</u>
Net capital	18,739
Less required net capital	<u>5,000</u>
Excess net capital	<u>\$ 13,739</u>
Aggregate indebtedness	<u>\$ 3,173</u>
Percentage of aggregate indebtedness to net capital	<u>16.93%</u>

RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL INCLUDED IN PART IIA OF FORM X-17A-5 AS OF DECEMBER 31, 2014

There was no significant difference between net capital in the FOCUS Part IIA form and the computation above.

**E.K. WALLACE SECURITIES, LLC**

**SCHEDULE II  
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2014**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the rule.

**SCHEDULE III  
INFORMATION RELATING TO THE POSSESSION OR CONTROL REQUIREMENTS  
UNDER RULE 15c3-3 OF THE SECURITIES AND EXCHANGE COMMISSION  
AS OF DECEMBER 31, 2014**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the rule.

**E.K. WALLACE SECURITIES LLC**  
270 LAFAYETTE STREET, SUITE 1204, NEW YORK, NEW YORK 10012

**EXEMPTION REPORT**  
**SEA RULE 17a-5(d)(4)**

February 2, 2015

RUBIO CPA, PC  
900 Circle 75 Parkway  
Suite 1100  
Atlanta, Georgia 30339

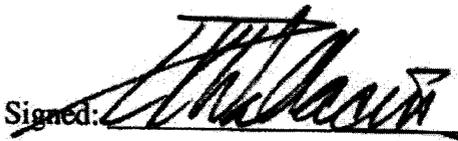
To Whom it May Concern:

The below information is designed to meet the Exemption Report criteria pursuant to SEC Rule 17a-5(d)(4):

E.K. Wallace Securities, LLC is a broker/dealer registered with the SEC and FINRA. Pursuant to paragraph k(2)(i) of SEC Rule 15c3-3, the Company is claiming an exemption from SEC Rule 15c3-3 for the fiscal year ended December 31, 2014.

The Company has met the identified exemption provisions throughout the most recent fiscal year without exception.

The above statement is true and correct to the best of my and the Company's knowledge.

Signed:  \_\_\_\_\_

Name: Everett Wallace

Title: CEO

# RUBIO CPA, PC

CERTIFIED PUBLIC ACCOUNTANTS

900 Circle 75 Parkway  
Suite 1100  
Atlanta, GA 30339  
Office: 770 690-8995  
Fax: 770 980-1077

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of  
E. K. Wallace Securities, LLC

We have reviewed management's statements, included in the accompanying Broker Dealers Annual Exemption Report in which (1) E. K. Wallace Securities, LLC identified the following provisions of 17 C.F.R. § 15c3-3(k) under which E. K. Wallace Securities, LLC claimed an exemption from 17 C.F.R. § 240.15c3-3: (k)(2)(i) (the "exemption provisions"); and, (2) E. K. Wallace Securities, LLC stated that E. K. Wallace Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. E. K. Wallace Securities, LLC's management is responsible for compliance with the 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 E. K. Wallace Securities, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's 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 management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i), of Rule 15c3-3 under the Securities Exchange Act of 1934.

February 9, 2015  
Atlanta, GA



RUBIO CPA, PC