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2/27/15

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

SEC FILE NUMBER
8-67635

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 01/01/14 AND ENDING 12/31/14  
MM/DD/YY MM/DD/YY

### A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Spire Securities, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

1840 Michael Faraday Dr # 105  
(No. and Street)

Roston  
(City)

VA  
(State)

20190  
(Zip Code)

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

Stuart Branley

703-657-6005  
(Area Code - Telephone Number)

### B. ACCOUNTANT IDENTIFICATION

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

CST Group

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

10740 Parkridge Blvd Roston VA 20191

(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)

2/27/15

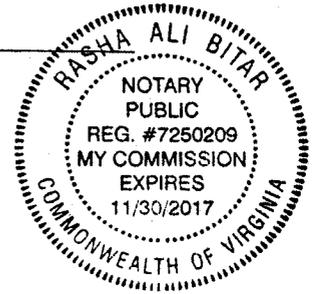
OATH OR AFFIRMATION

I, Stuart Braubley, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Spire Securities, LLC, as of Dec 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]  
Signature

VP Finance  
Title

[Signature]  
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).

**Financial Statements  
and Supplementary Financial Information**

**SPIRE SECURITIES, LLC**

**December 31, 2014**



CERTIFIED PUBLIC ACCOUNTANTS



**Financial Statements  
and Supplementary Financial Information**

**SPIRE SECURITIES, LLC**

**Reston, Virginia**

**December 31, 2014**

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CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors  
Spire Securities, LLC  
Reston, Virginia

**Report on the Financial Statements**

We have audited the accompanying financial statements of Spire Securities, LLC (a Virginia limited liability company), 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. Spire Securities, LLC'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 Spire Securities, LLC 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 Schedule I - Computation of Net Capital Under Rule 15C3-1 and Schedule II - Net Capital Reconciliation have been subjected to audit procedures performed in conjunction with the audit of Spire Securities, LLC's financial statements. The supplemental information is the responsibility of Spire Securities, LLC'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.

*CST Group, CPAs, PC*

February 23, 2015

STATEMENT OF FINANCIAL CONDITION

SPIRE SECURITIES, LLC

12/31/2014

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 748,041
Prepaid expenses	77,101
Commissions receivable	329,410
Deposit held by FINRA	<u>2,946</u>

TOTAL CURRENT ASSETS 1,157,498

OTHER ASSETS

Deposit held by clearing organization	<u>175,000</u>
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\$ 1,332,498

LIABILITIES AND MEMBER'S EQUITY

CURRENT LIABILITIES

Commissions payable	\$ 299,969
Accounts payable	<u>7,046</u>

TOTAL CURRENT LIABILITIES 307,015

MEMBER'S EQUITY

1,025,483

\$ 1,332,498

See notes to financial statements.

STATEMENT OF INCOME  
SPIRE SECURITIES, LLC

	For Year Ended <u>December 31, 2014</u>
INCOME	
Concession and commission income	\$ 6,548,260
EXPENSES	
Commission expense	4,722,735
Management fees	1,057,800
Operating expense	<u>427,722</u>
	<u>6,208,257</u>
OPERATING INCOME	340,003
NON-OPERATING INCOME	
Interest income	2,572
Interest expense	<u>( 905)</u>
	<u>1,667</u>
NET INCOME	<u>\$ 341,670</u>

See notes to financial statements.

STATEMENT OF MEMBER'S EQUITY  
SPIRE SECURITIES, LLC

	<u>Member's Equity</u>
BALANCE, DECEMBER 31, 2013	\$ 983,813
Net income for the year ended December 31, 2014	341,670
Less: distributions to member	<u>( 300,000)</u>
BALANCE, DECEMBER 31, 2014	<u>\$ 1,025,483</u>

See notes to financial statements.

STATEMENT OF CASH FLOWS

SPIRE SECURITIES, LLC

For Year Ended  
December 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 341,670
Effects of changes in operating accounts and accruals:	
Commissions and clearing receivable	( 111,861)
Prepaid expenses	( 5,257)
Deposit held by FINRA	977
Accounts payable	6,583
Commission payable	<u>69,647</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	301,759
CASH FLOWS FROM FINANCING ACTIVITIES	
Member's distribution	<u>( 300,000)</u>
NET INCREASE IN CASH	1,759
Cash, beginning of the year	<u>746,282</u>
CASH, END OF YEAR	<u>\$ 748,041</u>
Supplemental disclosures of cash flow information:	
Cash paid for interest	<u>\$ 905</u>
Cash paid for income taxes	<u>\$ 0</u>

See notes to financial statements.

## NOTES TO FINANCIAL STATEMENTS

### SPIRE SECURITIES, LLC

December 31, 2014

#### NOTE A - SIGNIFICANT ACCOUNTING POLICIES

Spire Securities, LLC (the Company), a wholly owned subsidiary of Spire Investment Partners, LLC (the Parent), is a securities brokerage firm providing securities brokerage and trading services to both individuals and institutional entities and also provides regulatory oversight to registered representatives for their investment advisory services. The Company does not have custody of client accounts or hold securities. Securities are held by third parties, and transactions are cleared through clearing organizations and their direct placement partners.

The Company qualifies under Rule 15c3-3(k)(2)(ii) from the Securities and Exchange Commission Customer Protection Rule (Rule 15c3-3). Accordingly, the supplemental schedule of Information Relating to Possession or Control Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 is not applicable.

The Company uses accrual basis accounting for financial statement purposes, recognizing income when earned and expenses when incurred. A consolidated income tax return is filed with the Parent.

Cash, as used in the accompanying financial statements, includes currency on hand, demand deposits with financial institutions and short-term, highly liquid investments purchased with a maturity of three months or less.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Company records commission revenue when earned rather than when received. The commission revenue will fluctuate depending upon the volume of trades. Total commission revenue for the year ended December 31, 2014 was \$5,981,683.

No provision for income taxes has been provided in these statements, as the Parent, by agreement, is responsible for any tax liability of the consolidated group. The Parent has elected, under the Internal Revenue Code, to be taxed as a partnership. Accordingly, no provision has been made for Federal and State income taxes on income recognized.

## NOTES TO FINANCIAL STATEMENTS

### SPIRE SECURITIES, LLC

December 31, 2014

#### NOTE B - INCOME TAXES

Statements of Financial Accounting Standards require companies to disclose unrecognized tax benefits and liabilities. The Company operates as a Limited Liability Company (LLC) and is not subject to Federal income taxes. However, with limited exceptions the tax records of the Company generally remain open for three years for federal income tax examination and four years for state income tax examination. Management has evaluated the effect of the guidance and all other tax positions that could have a significant effect on the financial statements and determined that the Company had no uncertain tax positions at December 31, 2014 that required disclosing or recognition.

#### NOTE C - CLEARING AGENTS

The Company has a clearing agreement with National Financial Services, LLC (NFS) as a clearing agent. Either party may terminate the agreement with 90 days written notice, NFS requires the Company to maintain net capital of \$250,000 and an escrow deposit of \$75,000, subject to change at the discretion of NFS.

The Company also has a clearing agreement with Pershing, LLC (Pershing) as a clearing agent. The agreement remains in effect unless either party terminates the agreement with 90 days written notice. Pershing requires the Company to maintain net capital of \$250,000 and an escrow deposit of \$100,000, subject to change at the discretion of Pershing.

#### NOTE D - LIABILITIES SUBORDINATED TO GENERAL CREDITORS

The Company had no liabilities that were subordinated to general creditors at December 31, 2014.

#### NOTE E - RELATED PARTY TRANSACTIONS

Spire Wealth Management, LLC, a sister company, is paid management fees for providing all management services to the Company. In prior years, the Expense Sharing Agreement between Spire Securities, LLC and Spire Wealth, LLC allocates management fees based on the percentage of Spire Securities' gross revenues to total gross revenues of both entities. During the current year, the expense sharing agreement changed to a set rate per month for the entire year. The rate is determined at the beginning of each year based on estimated use of management services. As a result of these transactions and short-term loans between these related entities, Spire Wealth Management, LLC owed the Company \$0 as of December 31, 2014.

Spire Securities, LLC and Spire Wealth Management, LLC are wholly owned subsidiaries of Spire Investment Partners, LLC.

## NOTES TO FINANCIAL STATEMENTS

### SPIRE SECURITIES, LLC

December 31, 2014

#### NOTE F - OFFICE LEASE

The Company occupies space that is leased by the sister company. The company makes a fixed monthly payment, based upon estimated use at the beginning of the fiscal year, for office services. The rent component of office services expense for the years ended December 31, 2014 was \$128,000.

#### NOTE G - NET CAPITAL REQUIREMENTS

The Company 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 10 to 1. Rule 15c3-1 further requires all brokers not generally carrying customers' accounts to maintain net capital of not less than \$100,000 or one-fifteenth of the Company's aggregate indebtedness, whichever is greater.

At December 31, 2014, the Company's aggregate indebtedness to net capital ratio was 0.3310 to 1 and the Company had net capital of \$927,426, which was \$827,426 in excess of its required net capital of \$100,000

#### NOTE H - CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Company to concentrations of credit risk consist of the receivable from clearing organization and cash and cash equivalents. The Company grants credit terms in the normal course of business to its clearing brokers for payment of commissions for customer trades. As part of its ongoing procedures, the Company monitors the credit worthiness of its clearing broker.

The Company maintains cash in bank deposit accounts that, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. Management believes the Company is not exposed to any significant risk related to cash.

NOTES TO FINANCIAL STATEMENTS

SPIRE SECURITIES, LLC

December 31, 2014

NOTE I - FAIR VALUE MEASUREMENTS

Unless disclosed otherwise, the Company estimates that the fair value of all financial and non-financial instruments at December 31, 2014 does not differ materially from the aggregate carrying values recorded in the accompanying statement of financial condition. The estimated fair value amounts have been determined by the Company using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and, accordingly, the estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange.

NOTE J – SUBSEQUENT EVENTS

Management evaluated all events and transactions that occurred after December 31, 2014 through February 23, 2015, the date we issued these financial statements.

SUPPLEMENTARY FINANCIAL INFORMATION

SPIRE SECURITIES, LLC

RESTON, VIRGINIA

December 31, 2014

SCHEDULE I - COMPUTATION OF NET CAPITAL

SPIRE SECURITIES, LLC

	<u>12/31/2014</u>
Total member's equity	\$ 1,025,484
Deduct: non-allowable assets	<u>98,058</u>
NET CAPITAL	<u>\$ 927,426</u>

See notes to financial statements



CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors  
of Spire Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report SEA Rule 17a-5(d)(4), in which (1) Spire Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Spire Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3(k)(2)(ii) (the "exemption provisions") and (2) Spire Securities, LLC stated that Spire Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Spire 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 Spire 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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*CST Group, CPAs, PC*

February 23, 2015

SCHEDULE II - NET CAPITAL RECONCILIATION

SPIRE SECURITIES, LLC

December 31, 2014

In accordance with Rule 17A-5(d)(4), we are reporting the following material differences that we found when comparing our report on the computation of net capital under Rule 15c3-1 with the focus report as filed by Spire Securities, LLC for the period ended December 31, 2014.

DIFFERENCES WITH FOCUS REPORT \$ 0

See notes to the financial statements.



CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors  
of Spire Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report SEA Rule 17a-5(d)(4), in which (1) Spire Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Spire Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3(k)(2)(ii) (the "exemption provisions") and (2) Spire Securities, LLC stated that Spire Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Spire 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 Spire 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)(ii) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*CST Group, CPAs, PC*

February 23, 2015





CERTIFIED PUBLIC ACCOUNTANTS

February 23, 2015

To the Board of Directors of Spire Securities, LLC  
Spire Securities, LLC  
1840 Michael Faraday Drive, #105  
Reston, VA 20190

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 Spire Securities, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Spire Securities, LLC's compliance with the applicable instructions of Form SIPC-7. Spire Securities, LLC's management is responsible for Spire Securities, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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, and over payment from prior year which consisted of the review of the 2013 SIPC forms, 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. Compared 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, including the trial balance supporting the adjustments, noting no differences; and
5. Compared the amount of any over payment 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 the 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.

*CST Group, CPAs, PC*

SCHEDULE OF ASSESSMENT AND PAYMENTS

SPIRE SECURITIES, LLC

Year Ended December 31, 2014

SIPC-6 Assessment - 2014	\$ 2,271
Prior year overpayment applied	0
Payment applied (ck# 1748)	<u>( 2,271)</u>
	0
SIPC-7 Assessment - 2014	2,933
SIPC-6 payment	( 2,271)
Payment applied (ck# 1792)	<u>( 662)</u>
	<u>\$ 0</u>

CST Group, CPAs, PC verified that payment was made to SIPC for the 2014 assessment.