



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

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

SEC
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Section
MAR 02 2015
Washington DC
406

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| 8- 44466 |

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: American Heritage Securities Inc

| |
|-------------------|
| OFFICIAL USE ONLY |
| FIRM I.D. NO. |

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

655 W Market St

(No. and Street)

Akron

OH

44303

(City)

(State)

(Zip Code)

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

Edgar Ingraham

330-535-0881

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Skoda Minotti

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

6685 Beta Dr

Mayfield Village

OH

44143

(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)

3/12/15

OATH OR AFFIRMATION

I, Edgar G Ingraham, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of American Heritage Securities Inc, 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:

Edgar G Ingraham
Signature

President

Title

Joy D. Yoho
Notary Public



JOY D. YOHO
Notary Public - State of Ohio
My Commission Expires Dec. 17, 2017

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).



AMERICAN HERITAGE SECURITIES, INC.

FINANCIAL STATEMENTS
WITH ADDITIONAL INFORMATION

YEAR ENDED DECEMBER 31, 2014



SKODA MINOTTI

CPAs, BUSINESS & FINANCIAL ADVISORS

Delivering on the Promise.



AMERICAN HERITAGE SECURITIES, INC.

FINANCIAL STATEMENTS
WITH ADDITIONAL INFORMATION

YEAR ENDED DECEMBER 31, 2014

AMERICAN HERITAGE SECURITIES, INC.

YEAR ENDED DECEMBER 31, 2014

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE STOCKHOLDER
AMERICAN HERITAGE SECURITIES, INC.

We have audited the accompanying statement of financial condition of American Heritage Securities, Inc. (the Company) as of December 31, 2014, and the related statements of income, changes in stockholder's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. 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. An audit 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 for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of American Heritage Securities, Inc. 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 of America.

The supplementary financial information has been subjected to audit procedures performed in conjunction with the audit of the Company's financial statements. The supplementary information is the responsibility of the Company's management. Our audit procedures included determining whether the supplementary 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 supplementary information. In forming our opinion on the supplementary information, we evaluated whether the supplementary information, including its form and content, is presented in conformity with Rule 17a-5 under the Securities Exchange Act of 1934. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

SKODA MINOTTI

Cleveland, Ohio
February 16, 2015

AMERICAN HERITAGE SECURITIES, INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2014

ASSETS

ASSETS

| | | |
|--|--|-------------------|
| Cash | | \$ 312,893 |
| Marketable securities (\$50,000 of which is restricted as an escrow deposit) | | 114,173 |
| Commissions receivable | | 23,158 |
| Property and equipment, net | | 9,676 |
| Security deposits | | <u>2,200</u> |
| | | <u>\$ 462,100</u> |

LIABILITIES AND STOCKHOLDER'S EQUITY

LIABILITIES

| | | |
|---------------------|--|---------------|
| Accounts payable | | \$ 22,068 |
| Accrued liabilities | | <u>25,178</u> |
| | | 47,246 |

STOCKHOLDER'S EQUITY

| | | |
|--|----------------|-------------------|
| Common stock (15 shares authorized, issued, and outstanding) | \$ 45,000 | |
| Retained earnings | <u>369,854</u> | <u>414,854</u> |
| | | <u>\$ 462,100</u> |

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

AMERICAN HERITAGE SECURITIES, INC.

STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2014

REVENUES

| | |
|--|------------------|
| Commissions | \$ 769,977 |
| Management fees | 298,125 |
| Investment income | 4,463 |
| Net unrealized gain on marketable securities | 4,186 |
| | <u>1,076,751</u> |

EXPENSES

| | |
|----------------------------|------------------|
| Commissions | 797,831 |
| Depreciation | 3,372 |
| Office related expenses | 27,997 |
| Other expenses | 10,597 |
| Payroll taxes and benefits | 12,629 |
| Professional fees | 4,325 |
| Registration fees | 3,741 |
| Rent | 42,000 |
| Salaries and wages | 116,207 |
| Telephone | 2,819 |
| | <u>1,021,518</u> |

INCOME BEFORE PROVISION FOR INCOME TAXES 55,233

PROVISION FOR INCOME TAXES 10,231

NET INCOME \$ 45,002

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

AMERICAN HERITAGE SECURITIES, INC.
 STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
 YEAR ENDED DECEMBER 31, 2014

| | <u>Common Stock</u> | <u>Retained Earnings</u> | <u>Total</u> |
|------------------------------|-------------------------|------------------------------|-------------------|
| Balance at January 1, 2014 | \$ 45,000 | \$ 349,852 | \$ 394,852 |
| Net income | - | 45,002 | 45,002 |
| Dividends | - | (25,000) | (25,000) |
| Balance at December 31, 2014 | <u>\$ 45,000</u> | <u>\$ 369,854</u> | <u>\$ 414,854</u> |

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

AMERICAN HERITAGE SECURITIES, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2014

CASH FLOWS FROM OPERATING ACTIVITIES:

| | | |
|---|----------|---------------|
| Net income | | \$ 45,002 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Add back (deduct): Items not affecting cash | | |
| Depreciation | \$ 3,372 | |
| Unrealized gain on marketable securities | (4,186) | |
| Cash provided by (used in) changes in the following items: | | |
| Increase in commissions receivable | (6,666) | |
| Increase in accounts payable | 8,933 | |
| Increase in accrued liabilities | 15,146 | 16,599 |
| Net cash provided by operating activities | | <u>61,601</u> |

CASH FLOWS FROM INVESTING ACTIVITIES:

| | | |
|---|---------|---------------|
| Collections on note receivable | 16,248 | |
| Purchases of property and equipment | (2,060) | |
| Net cash provided by investing activities | | <u>14,188</u> |

CASH FLOWS FROM FINANCING ACTIVITIES:

| | | |
|----------------|--|-----------------|
| Dividends paid | | <u>(25,000)</u> |
|----------------|--|-----------------|

NET INCREASE IN CASH

50,789

CASH - BEGINNING OF YEAR

262,104

CASH - END OF YEAR

\$ 312,893

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

CASH PAID DURING THE YEAR FOR:

| | |
|--------------|----------|
| INCOME TAXES | \$ 9,381 |
|--------------|----------|

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

AMERICAN HERITAGE SECURITIES, INC.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Businesses

American Heritage Securities, Inc. (the Company) was incorporated in 1991 for the purpose of operating as a broker-dealer in securities. The Company operates as an introducing broker, whose services are limited to accepting customer orders. The Company has a business relationship with an independent clearing broker who is responsible for processing and settling customer transactions on a fully disclosed basis. The Company is registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulation Authority (FINRA).

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Marketable Securities

The Company determines the appropriate classification of its investments in marketable securities at the time of purchase, in accordance with GAAP, and reevaluates such determinations at each balance sheet date. As of December 31, 2014, all investments in securities were classified as held primarily for sale during the Company's normal operating cycle and have been reported at fair value, with unrealized gains and losses recognized in earnings. For purposes of determining realized gains and losses, the cost of securities sold is based on specific identification.

Restricted escrow deposits consist of government bonds. These deposits are restricted in accordance with the Company's agreement with its independent clearing broker, who is responsible for processing and settling customer transactions on a fully disclosed basis.

Commissions Receivable

Commissions receivable are from clearing organizations and mutual funds, and are stated at the amount management expects to collect from outstanding balances related to commission fees and gains. Since these relate to commission fees receivable from customers, an allowance for doubtful accounts is not deemed necessary by management, nor is it required according to the computation for determination of reserve requirements pursuant to Rule 15c3-3.

AMERICAN HERITAGE SECURITIES, INC.

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are recorded at cost. Depreciation of property and equipment are provided by the use of accelerated and straight-line methods over the following estimated useful lives of the assets:

| | | |
|------------------------|-------|-------|
| Furniture and fixtures | 3 - 5 | years |
| Office equipment | 3 - 5 | years |
| Vehicle | 5 | years |

Revenue Recognition

Commission income and related commission expenses are recorded on a settlement-date basis, which does not differ significantly from a trade-date basis.

Income Taxes

The Company has elected under the Internal Revenue Code to be taxed as a C Corporation. The current provision for Federal income taxes totaled \$10,231 for the year ended December 31, 2014. There are no material differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The provision for income taxes differs from that which would be expected from applying the Federal statutory rate to income before income taxes due to the differential in income tax rates for various income brackets.

The Company files income tax or information returns in the U.S. Federal jurisdiction, and various state and local jurisdictions. The Company currently has no uncertain tax positions that have been taken and believes it can defend its tax returns to any tax jurisdiction. The Company is no longer subject to examination by tax authorities for years before 2011.

Subsequent Events

The Company evaluated subsequent events through February 16, 2015, the date these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

2. NET CAPITAL REQUIREMENTS

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 equivalent to the greater of \$5,000 or 1/15th of aggregate indebtedness. At December 31, 2014, the Company exceeded all net capital requirements.

AMERICAN HERITAGE SECURITIES, INC.

NOTES TO THE FINANCIAL STATEMENTS

3. MARKETABLE SECURITIES

Marketable securities, as of December 31, 2014, consist of equities and fixed income securities. Original cost, fair value and unrealized changes in market value at December 31, 2014 are summarized below:

| | <u>Original Cost</u> | <u>Unrealized Gain</u> | <u>Fair Value</u> |
|--------------------------|--------------------------|----------------------------|-----------------------|
| Fixed income securities: | | | |
| Restricted | \$ 50,000 | \$ 210 | \$ 50,210 |
| Unrestricted | 29,722 | 2,951 | 32,673 |
| Equities | <u>18,215</u> | <u>13,075</u> | <u>31,290</u> |
| | <u>\$ 97,937</u> | <u>\$ 16,236</u> | <u>\$ 114,173</u> |

4. FAIR VALUE OF INVESTMENTS

GAAP establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into the following three broad categories:

- Level 1 – Quoted unadjusted prices for identical instruments in active markets to which the Company has access at the date of measurement.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists, or in instances where prices vary substantially over time or among brokered market makers.
- Level 3 – Model derived valuations in which one or more significant inputs of significant value drivers are unobservable. Unobservable inputs are those inputs that reflect the Company's own assumptions that market participants would use to price the assets or liabilities based on the best available information.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

AMERICAN HERITAGE SECURITIES, INC.

NOTES TO THE FINANCIAL STATEMENTS

4. FAIR VALUE OF INVESTMENTS (continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014:

Fixed income securities - Valued at quoted market prices.

Equities - Valued at quoted market prices.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants; the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

All of the Company's investments are considered to be Level 1.

5. RELATED PARTY TRANSACTIONS

The Company shares office space and personnel with EGI Financial, Inc. (EGI). EGI is a related entity owned by the Company's sole stockholder. As compensation for this arrangement, the Company receives a management fee equal to 77% of EGI's advisory fee revenue. During the year ended December 31, 2014, management fees from EGI totaled \$298,125.

The Company leases office space from its sole stockholder under a one year lease that renews annually with monthly payments of \$3,500. Rent expense for the year ended December 31, 2014 totaled \$42,000.

6. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2014 consists of:

| | |
|--------------------------------|-----------------|
| Furniture and fixtures | \$ 37,377 |
| Office equipment | 13,697 |
| Vehicle | <u>30,943</u> |
| | 82,017 |
| Less: Accumulated depreciation | <u>(72,341)</u> |
| Property and equipment, net | <u>\$ 9,676</u> |

AMERICAN HERITAGE SECURITIES, INC.

NOTES TO THE FINANCIAL STATEMENTS

7. RETIREMENT PLAN

The Company has a defined contribution retirement plan (the Plan) that meets the requirements of a "Savings Incentive Match Plan for Employees" (SIMPLE), as defined by the Internal Revenue Code. For the year ended December 31, 2014, the Company contributed \$3,461 to the Plan.

8. INDEMNIFICATION

In the normal course of its business, the Company indemnifies and guarantees certain service providers, such as clearing and custody agents, trustees and administrators, against specified potential losses in connection with their acting as an agent of, or providing services, to the Company. The maximum potential amounts of future payments that the Company could be required to make under these indemnifications cannot be estimated. However, the Company believes that it is unlikely it will be required to make significant payments under these arrangements and, therefore, no contingent liability has been recorded in the accompanying financial statements.

9. RISKS AND UNCERTAINTIES

The Company's marketable securities are exposed to various risks such as interest rate, market and credit risks. The Company could incur losses or gains as a result of changes in the fair value of the securities and such changes could materially affect the Company's financial condition.

AMERICAN HERITAGE SECURITIES, INC.
SUPPLEMENTARY FINANCIAL INFORMATION
YEAR ENDED DECEMBER 31, 2014

COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENT TO RULE 15c3-3
Not applicable due to exemption under Section (k)(2)(I) of Rule 15c3-3.

RECONCILIATION BETWEEN NET CAPITAL COMPUTATION AND RESERVE
REQUIREMENT COMPUTATION

There are no material differences between the computation of net capital under Rule 15c3-1 as prepared by the Company and filed with their most recent Part IIA unaudited report and schedule included with these statements.

The Company did not file the computation for determination of the reserve requirements under exhibit A of Rule 15c3-3 due to the exemption under Section (k)(2)(I) of Rule 15c3-3.

See the Report of Independent Registered Public Accounting Firm.

AMERICAN HERITAGE SECURITIES, INC.
 COMPUTATION OF NET CAPITAL PURSUANT TO RULE 15c3-1
 DECEMBER 31, 2014

FORM
 X-17A-5
LINE

COMPUTATION OF NET CAPITAL:

| | | |
|----|--|--------------------------|
| 1 | Total stockholder's equity from statement of financial condition | \$ 414,854 |
| 2 | Less: Stockholder's equity not allowable for net capital | <u>-</u> |
| 3 | Total stockholder's equity qualified for net capital | 414,854 |
| 6D | Total other deductions | <u>(18,998)</u> |
| 8 | Net capital before haircuts on security positions | 395,856 |
| 9 | Haircuts on securities pursuant to 15c3-1 | <u>(7,168)</u> |
| 10 | Net capital | <u><u>\$ 388,688</u></u> |

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:

| | | |
|----|---|--------------------------|
| 11 | Minimum net capital required | <u><u>\$ 3,150</u></u> |
| 12 | Minimum dollar requirement | <u><u>\$ 5,000</u></u> |
| 13 | Net capital requirement | <u><u>\$ 5,000</u></u> |
| 14 | Excess net capital | |
| | Net capital | \$ 388,688 |
| | Less: Net capital requirement | <u>(5,000)</u> |
| | Total | <u><u>\$ 383,688</u></u> |
| 15 | Net capital less the greater of 10% of line 19 or 120% of line 12 | <u><u>\$ 382,688</u></u> |

AGGREGATE INDEBTEDNESS:

| | | |
|-----------|--|-------------------------|
| 16 and 19 | Aggregate indebtedness liabilities | <u><u>\$ 47,246</u></u> |
| 20 | Percent of aggregate indebtedness to net capital | <u><u>12.16%</u></u> |
| 21 | Percent of debt to debt-equity computed in accordance with Rule 15c3-1 | <u><u>0%</u></u> |

See the Report of Independent Registered Public Accounting Firm.

AMERICAN HERITAGE SECURITIES, INC.

COMPUTATION OF NET CAPITAL PURSUANT TO RULE 17a-5(d)(4)

DECEMBER 31, 2014

| | <u>AUDITED</u> | <u>UNAUDITED</u> | <u>INCREASE (DECREASE)</u> |
|--|-------------------|-------------------|--------------------------------|
| COMPUTATION OF NET CAPITAL: | | | |
| Total stockholder's equity from statement of financial condition | \$ 414,854 | \$ 414,856 | \$ (2) |
| Other deductions | (18,998) | (15,885) | (3,113) |
| Haircuts on securities pursuant to 15c3-1 | <u>(7,168)</u> | <u>(7,168)</u> | <u>-</u> |
| Net capital | <u>\$ 388,688</u> | <u>\$ 391,803</u> | <u>\$ (3,115)</u> |
| COMPUTATION OF BASIC NET CAPITAL REQUIREMENT: | | | |
| Minimum dollar requirement | <u>\$ 3,150</u> | <u>\$ 3,150</u> | <u>\$ -</u> |
| Net capital requirement | <u>\$ 5,000</u> | <u>\$ 5,000</u> | <u>\$ -</u> |
| Excess net capital | | | |
| Net capital | \$ 388,688 | \$ 391,803 | \$ (3,115) |
| Less: Net capital requirement | <u>(5,000)</u> | <u>(5,000)</u> | <u>-</u> |
| Total | <u>\$ 383,688</u> | <u>\$ 386,803</u> | <u>\$ (3,115)</u> |
| Net capital, less certain adjustments | <u>\$ 382,688</u> | <u>\$ 385,803</u> | <u>\$ (3,115)</u> |
| AGGREGATE INDEBTEDNESS: | | | |
| Aggregate indebtedness liabilities | <u>\$ 47,246</u> | <u>\$ 47,246</u> | <u>\$ -</u> |
| Percent of aggregate indebtedness to net capital | <u>12.16%</u> | <u>12.06%</u> | <u>-</u> |
| Percent of debt to debt-equity computed in accordance with Rule 15c3-1 | <u>0%</u> | <u>0%</u> | <u>-</u> |

See the Report of Independent Registered Public Accounting Firm.

REPORT OF A BROKER-DEALER CLAIMING EXEMPTION FROM SEC RULE 15c3-3

American Heritage Securities, Inc. ("we" or "the Company") has identified the following provisions of 17 C.F.R. § 15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. § 240.15c3-3: paragraph (k)(2)(i) (the "exemption provisions").

We have met the identified exemption provisions throughout the most recent fiscal year without exception.



SKODA MINOTTI

CPAs, BUSINESS & FINANCIAL ADVISORS

Delivering on the Promise.

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
REQUIRED BY SEC RULE 17a-5 FOR A BROKER-DEALER CLAIMING AN
EXEMPTION FROM SEC RULE 15c3-3**

TO THE STOCKHOLDER
AMERICAN HERITAGE SECURITIES, INC.

We have reviewed management's statements, included in the accompanying Report of a Broker-Dealer Claiming Exemption from SEC Rule 15c3-3, in which (1) American Heritage Securities, Inc. (the Company), identified the following provisions of 17 C.F.R. § 15c3-3(k) under which the Company claimed an exemption from 17 C.F.R. § 240.15c3-3: paragraph (k)(2)(i) (the "exemption provisions") and (2) the Company stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company'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 the Company'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.

SKODA MINOTTI

Cleveland, Ohio
February 16, 2015



Delivering on the Promise.

REPORT OF INDEPENDENT REGISTERED ACCOUNTANTS ON
APPLYING AGREED-UPON PROCEDURES

TO THE STOCKHOLDER
AMERICAN HERITAGE SECURITIES, INC.

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 General Assessment Reconciliation (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2014, which were agreed to by American Heritage Securities, Inc. (AHS) and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc. and SIPC, solely to assist you and the other specified parties in evaluating AHS's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). AHS's management is responsible for AHS's compliance with those requirements. The 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 record entries, noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 (FOCUS Report) 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 supporting the adjustments, noting no differences; and
5. Compared 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 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.

SKODA MINOTTI

Cleveland, Ohio

February 16, 2015

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