

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



15048703

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

OMB APPROVAL
OMB Number: 3235-0123
Expires: March 31, 2016
Estimated average burden hours per response... 12.00

SEC FILE NUMBER
8-51285

SEC
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Washington DC
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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 January 1, 2014 AND ENDING December 31, 2014
Date Date

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: AdCap Securities LLC

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

701 Brickell Ave.
(No. and Street)

Miami Florida 33131
(City) (State) (Zip Code)

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

Robert Gilman 561-771-0036
(Area Code - Telephone No.)

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FIRM I.D. NO.

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Morrison Brown Argiz & Farra, LLC

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

1450 Brickell Ave. Miami Florida 33131
(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)

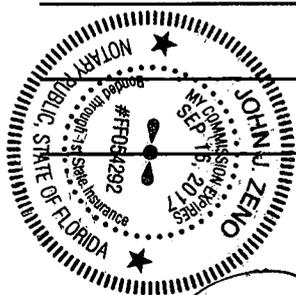
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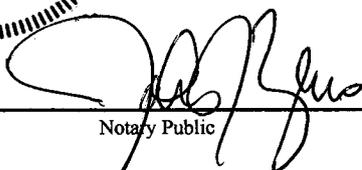
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OATH OR AFFIRMATION

I, Gustavo Dominguez, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of AdCap Securities LLC as 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:




Notary Public


Signature

CEO
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 Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (e) Statement of Cash Flows
- (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) Statement of Exemption from Rule 15c3-3.
- (k) 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.
- (l) An Oath or Affirmation.
- (m) SIPC Supplemental Report and Independent Accountant's Report
- (n) Report of Independent Registered Public Accounting Firm on Statement of Exemption or Compliance
- (o) 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).

AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)
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December 31, 2014

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member
AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)

We have audited the accompanying statement of financial condition of AdCap Securities, LLC (A Wholly-Owned Subsidiary of AdCap Holdings, LLC) (the "Company") as of December 31, 2014 that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934, and the related notes to the financial statement. AdCap Securities, LLC's management is responsible for this financial statement. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is 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 statement of financial position, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial position presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial condition of AdCap Securities, LLC as of December 31, 2014, in accordance with accounting principles generally accepted in the United States of America.

Morrison, Brown, Argiz & Farra

Miami, Florida
March 10, 2015

An Independent Member of Baker Tilly International

AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)
Statement of Financial Condition
December 31, 2014

ASSETS

Cash	\$	432,383
Deposits with clearing organizations		559,031
Receivable from clearing organization		87,737
Goodwill		260,000
Prepaid expense		15,658
Furniture and equipment, net		6,304
Other assets		<u>3,597</u>
TOTAL ASSETS	\$	<u>1,364,710</u>

LIABILITIES AND MEMBER'S EQUITY

Accounts payable and accrued expenses	\$	66,399
Loan payable- Parent		<u>200,000</u>
TOTAL LIABILITIES		<u>266,399</u>

COMITMENTS AND CONTINGENCIES (NOTES 3 and 9)

MEMBER'S EQUITY		<u>1,098,311</u>
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TOTAL LIABILITIES AND MEMBER'S EQUITY	\$	<u>1,364,710</u>
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See accompanying notes to the financial statement.

AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)
Notes to the Financial Statements
December 31, 2014

1. NATURE OF BUSINESS

AdCap Securities, LLC (A Wholly Owned Subsidiary of AdCap Holdings, LLC) (“the Company”), formerly known as Lake Forest Securities, LLC, is an Illinois corporation registered as a broker-dealer with the Securities and Exchange Commission (“SEC”), and is a member of the Financial Industry Regulatory Authority (“FINRA”). The Company is wholly owned by AdCap Holdings, LLC. (the “Parent”). The Company’s operations consist primarily of introducing customer accounts on a fully disclosed basis to its clearing brokers. The Company does not maintain customer accounts.

Effective July 23, 2014, the Company’s former members executed a Purchase Agreement and sold 100% of the membership interest in Lake Forest Securities, LLC to the Parent for a purchase price of \$397,379. As a result of the execution of the Purchase Agreement, and in accordance with Accounting Standard Codification 805 (“ASC”), the Company’s Parent pushed down the goodwill amounting to \$260,000 to the Company. Concurrently, the Company changed its name from Lake Forest Securities, LLC to AdCap Securities, LLC. The following table summarizes the fair value of the assets acquired and liabilities assumed as of July 23, 2014:

Recognized amounts of identifiable assets acquired and liabilities assumed:	
Cash	\$ 67,233
Receivable from clearing organizations	50,790
Deposits with clearing organization	59,031
Other assets	500
Accounts payable and accrued expenses	<u>(40,175)</u>
Total identifiable net asset	137,379
Goodwill	<u>260,000</u>
Total consideration paid by Parent before pushdown of goodwill	<u>\$ 397,379</u>

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Financial Statement Presentation

The accounting policies and reporting practices of the Company conform to the predominant practices in the broker-dealer industry and are in accordance with accounting principles generally accepted in the United States of America.

Government and Other Regulation

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

Cash and Cash Equivalents

The Company considers all highly liquid debit instruments having maturities of three months or less at the date of acquisition to be cash equivalents. The Company may, during the ordinary course of business, maintain account balances with banks in excess of federally insured limits. The Company has not experienced losses on these accounts, and management believes that the Company is not exposed to significant risks on such accounts.

AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)
Notes to the Financial Statements
December 31, 2014

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Clearing Agreements

The Company has agreements with both RBC Capital Markets and JP Morgan Clearing Corp to provide execution and clearing services on behalf of its customers on a fully disclosed basis.

Furniture and Equipment

Furniture and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of assets is provided for by the straight-line method over the estimated useful lives of 3 years. As of December 31, 2014, furniture and equipment amounted to \$6,856 and the related accumulated depreciation was \$552.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at December 31, 2014. The actual outcome of the estimates could differ from the estimates made in the preparation of the financial statements.

Income Taxes

Effective July 24, 2014, the Company elected to be treated as a corporation for federal income tax purposes. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that tax benefits will not be realized.

The Company recognizes positions taken or expected to be taken in a tax return in accordance with existing accounting guidance on income taxes which prescribes a recognition threshold and measurement process. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other operating expenses, respectively.

Goodwill

The Company accounts for goodwill and intangibles under an accounting standard which specifies that all goodwill and indefinite life intangibles shall not be amortized. Goodwill must be allocated to reporting units and evaluated for impairment on an annual basis. The Company completed its annual impairment evaluation for the fiscal year ended December 31, 2014 and determined that goodwill is not impaired.

Subsequent Events

The Company has evaluated subsequent events through March 10, 2015, which is the date the financial statements were issued.

AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)
Notes to the Financial Statements
December 31, 2014

3. COMMITMENTS AND CONTINGENCIES

Litigation

The Company is exposed to various asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management, the resolution of these matters will not have a material effect on the Company's financial position or results of operations.

4. RECEIVABLES FROM CLEARING ORGANIZATION

Receivable from broker includes cash balances held at the clearing brokers as well as receivables due from the clearing brokers on trades pending settlement. At December 31, 2014, the amount due from clearing brokers totaled \$87,737.

5. DEPOSITS WITH CLEARING ORGANIZATION

The Company's clearing brokers' are RBC Capital Markets and JP Morgan Clearing Corp. The agreements between the Company and clearing brokers requires that the Company maintain a collateral deposit of \$559,031. The collateral deposit including interest receivable as of December 31, 2014 is \$559,031.

6. NET CAPITAL REQUIREMENTS

The Company, as a registered broker dealer in securities, is subject to the Securities and Exchange Commission's uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimal net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. As of December 31, 2014, the Company had net capital of \$812,752 which was \$712,752 in excess of its required net capital of \$100,000. The Company's ratio of aggregate indebtedness to net capital was 0.33 to 1 as of December 31, 2014.

7. RELATED PARTY TRANSACTIONS

On October 1, 2014, the Company entered into an expense sharing agreement with the Parent.

On December 11, 2014, the Company entered into a loan agreement with the Parent in the amount of \$200,000 with a one year term and an annual interest rate of 1%.

8. INCOME TAXES

Through the date of the executed purchase agreement, the Company had elected to be taxed as an S Corporation. As a result, no tax provision was required. Upon execution of the purchase agreement, the S Corporation election was terminated.

The actual income tax expense for 2014 differs from the statutory tax expense for the year (computed by applying the U.S. federal corporate tax rate of 34% to net loss due to the valuation allowance.

AdCap Securities, LLC
(A Wholly-Owned Subsidiary of AdCap Holdings, LLC)
Notes to the Financial Statements
December 31, 2014

8. INCOME TAXES (CONTINUED)

The Company has approximately \$310,000 of Federal and State net operating loss carry forwards expiring in various amounts starting in 2034. Their utilization is limited to future taxable earnings of the Company.

The Company's deferred tax asset is derived from net operating losses and amounts to approximately \$123,000 as of December 31, 2014. Due to the uncertain nature of the ultimate realization of the net deferred tax asset, the Company has established a full valuation allowance against the benefits of the net deferred tax asset and will recognize these benefits only as reassessment demonstrates they are realizable. Ultimate realization is dependent upon several factors, among which is future earnings. While the need for this valuation allowance is subject to periodic review, if the allowance is reduced, the tax benefits of the net deferred tax assets will be recorded in future operations as a reduction of the Company income tax expense.

The U.S. Federal jurisdiction, Florida and Illinois are the major tax jurisdictions where the Company files income tax returns. The Company is no longer subject to U.S. Federal or State examinations by tax authorities for years before 2011.

For the year ended December 31, 2014, the Company did not have any unrecognized tax benefits as a result of tax positions taken during a prior period or during the current period. No interest or penalties have been recorded as a result of tax uncertainties.

9. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND CONCENTRATION OF CREDIT RISK

The Company enters into various transactions involving off-balance sheet financial instruments. These financial instruments include securities purchased and sold on a when-issued basis. These financial instruments are used to meet the needs of customers and are subject to varying degrees of market and credit risk.

The Company's customer securities activities are provided to a diverse group of institutional, corporate and individual investors. In the normal course of business, the Company's customer activities 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 the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

The Company is engaged in various securities trading and brokerage activities in which counterparties primarily include broker-dealers, banks, other financial institutions and corporations. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Company's policy to review, as necessary, the credit standing of each counterparty.