



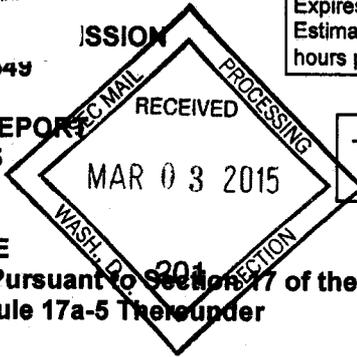
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MISSION

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



SEC FILE NUMBER
 8-68064

**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

OFFICIAL USE ONLY
 FIRM ID. NO.

NAME OF BROKER-DEALER:

LIQUID CAPITAL SECURITIES, LLC

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

71 S. Wacker Drive; Suite 2300
(No. and Street)

Chicago **Illinois** **60606**
(City) (State) (Zip Code)

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

Christopher I. Mates **(312) 345-2110**
(Area Code - Telephone No)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Bradford R. Dooley & Associates
(Name - if individual, state last, first, middle name)

209 West Jackson Boulevard, Suite 404 **Chicago** **Illinois** **60606**
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

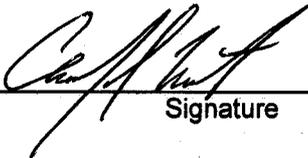
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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

OATH OR AFFIRMATION

I, **Christopher I. Mates**, swear (or affirm), to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of **Liquid Capital 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:

None



Signature

Principal
Title

Sworn and subscribed to me on the

27th day of February, 2015



Notary Public



This report** contains (check all applicable boxes)

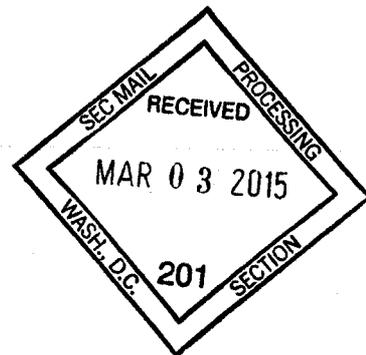
- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of General Creditors.
- (g) Computation of Net Capital for Brokers and Dealers pursuant to Rule 15c3-1.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements for Brokers and Dealers 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 copy of the Exemption Report.
- (o) Schedule of Segregation Requirements and Funds in Segregation – Customers' Regulated Commodity Futures Accounts Pursuant to CFTC Rule 1.11(d)2(iv).

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

Liquid Capital Securities, LLC

Financial Report
December 31, 2014

Filed as PUBLIC information pursuant to Rule 17a-5(d) under the securities
Exchange Act of 1934 and Regulation 1.10(g) under the Commodity
Exchange Act



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BRADFORD R. DOOLEY & ASSOCIATES

Accountants and Auditors

209 WEST JACKSON BLVD – SUITE 404
CHICAGO, ILLINOIS 60606

Member
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
ILLINOIS CPA SOCIETY

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members
of Liquid Capital Securities, LLC

We have audited the accompanying statement of financial condition of Liquid Capital Securities, LLC (an Illinois Limited Liability 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 statements. Liquid Capital Securities, LLC's management is responsible for this financial statement. 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 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.

The accompanying financial statements have been prepared assuming that Liquid Capital Securities, LLC will continue as a going concern. As discussed in Note 1 to the financial statements, the company has suffered recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

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

Chicago, Illinois
February 27, 2015


Bradford R. Dooley & Associates

Liquid Capital Securities, LLC

Statement of Financial Condition

December 31, 2014

Assets

Cash and cash equivalents	\$	114,733
Deposits		106,101
Total assets	\$	220,834

Liabilities and Members' Deficit

Liabilities

Due to affiliates	\$	70,195
Accounts payable and accrued expenses		29

Liabilities subordinated to claims of general creditors 1,170,000

Members' deficit (1,019,390)

Total liabilities and members' deficit **\$ 220,834**

See Notes to Financial Statements.

Liquid Capital Securities, LLC

Notes to Statement of Financial Condition

Note 1. Organization and Nature of Business

Liquid Capital Securities, LLC (the Company) is a securities broker-dealer registered with the Securities and Exchange Commission (SEC), and is a member of the Financial Industry Regulatory Authority (FINRA). The Company is exempt from Rule 15c3-3 of the Securities and Exchange Commission under paragraph (k)(2)(ii) of that rule as all customer transactions are cleared through other broker-dealers on a fully disclosed basis.

The Company was organized as a limited liability company on July 23, 2007, in the State of Illinois. The operating agreement provides that the Company will continue until dissolved pursuant to the agreement. On May 7, 2009, the Company was accepted as a member of FINRA. On 1st May 2014 Chris and Gregg Siepman agreed to sell Liquid Capital Securities to the Liquid Group for US\$ 745,000

The Company has suffered recurring losses and negative cash flows from operations during 2014, which has raised substantial doubt about the entity's ability to continue as a going concern. Starting in March 2013, the company began to rebuild the agency execution brokerage business, which had been severely scaled back in February 2001. On 9th Sept 2014, the Company ceased its agency brokerage business. The Company's management intends to restructure the main operations of the execution-only business in its Chicago headquarters. The members intend to contribute additional capital and extend the existing subordinated borrowing agreements if deemed necessary to continue operations.

Note 2. Summary of Significant Accounting Policies

Accounting policies: The Company follows the accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets generally accepted accounting principles (GAAP) that the Company follows to ensure consistent reporting of financial condition, results of operations, and cash flows.

Use of estimates: The preparation of financial statements in conformity with GAAP 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 and cash equivalents: Cash and cash equivalents include highly liquid instruments with original maturities of three months or less at the date of acquisition. The Company places its cash and cash equivalents with financial institutions and, at times, cash held in these bank accounts may exceed the Federal Deposit Insurance Corporation limit. However, the Company does not believe it is exposed to significant credit risk.

Fair value of financial instruments: Financial instrument transactions are recorded on trade date and reflected at fair value.

Revenue Recognition: Brokerage and execution revenue and related expenses are recorded on a trade-date basis

Interest: Interest income and expense is recognized on an accrual basis.

Liquid Capital Securities, LLC

Notes to Statement of Financial Condition

Note 2. Summary of Significant Accounting Policies (Continued)

Foreign exchange translation: Assets and liabilities denominated in foreign currencies are translated at year-end rates of exchange. Income and expense items are translated at month-end rates. Gains or losses resulting from foreign currency translations are included in other expense on the statement of operations.

Income taxes: As a limited liability company, the Company is not subject to federal income taxes. The Company's members separately account for their pro rata share of the Company's items of income, deductions, losses and credits. Therefore, these financial statements do not include any provision for federal income taxes.

FASB guidance requires the evaluation of income tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense and liability in the current year. For the year ended December 31, 2014, management has determined that there are no material uncertain income tax positions.

The Company is generally not subject to examination by U.S. federal and state tax authorities for tax years before 2011.

Note 3. Liabilities Subordinated to Claims of General Creditors

The Company has two subordinated borrowing agreements with the two Members in the aggregate original amount of \$1,000,000. The subordinated borrowings bear interest at 3 percent and are scheduled to mature on April 30, 2015. During 2014, interest expense related to the subordinated borrowings amounted to \$30,000. As of December 31, 2014, interest payable totaling \$170,000 is included in the outstanding balance of liabilities subordinated to claims of general creditors.

The subordinated borrowings are available in computing net capital under the Securities and Exchange Commission's uniform net capital rule and qualify as equity capital. Pursuant to change of ownership during the years, these subordinated borrowings did not renew their maturity date to extend beyond one year. As such these subordinated borrowings do not qualify as equity subordinated borrowings.

To the extent that such borrowing is required for the Company's continued compliance with minimum net capital requirements, it may not be repaid (see Note 6).

Note 4. Related-Party Transactions

Liquid Capital Markets, LLC (LCM), an affiliated entity by common ownership, shares salary expenses with the Company. As of December 31, 2014, the Company owed \$70,195 to Liquid Capital Markets LLC. LCM also guarantees the Company up to \$2,500,000 of any potential customer claims.

Liquid Capital Securities, LLC

Notes to Statement of Financial Condition

Note 5. Commitments, Contingencies and Subsequent Events

During 2012, the Company assigned a sub-lease agreement to a third party. The Company is contingently liable for the sub-lease should the assignee default on their obligations to the landlord. The total minimum annual rentals under the sub-lease are \$183,248 for 2015. For the year 2014, the third party has satisfied all lease obligations.

In connection with the lease, The Company delivered to the landlord an unconditional and irrevocable letter of credit in the amount of \$103,869, which expires August 2015. Cash at bank of \$106,100 collateralizes the letter of credit and is included as deposits on the statement of financial condition.

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties that provide indemnifications under certain circumstances. The Company's maximum exposure under these arrangements is unknown and the risk of loss is remote, as it would require claims that may be made against the Company that have not occurred.

Note 6. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of a minimum amount of net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn if the resulting net capital ratio would exceed 10 to 1. At December 31, 2014, the company had a deficiency in Net Capital of \$1,125,490, which is below the required minimum of \$5,000. The company will need to attain compliance with the minimum Net Capital requirement before being able to engage in broker dealer activities.

Note 7. Subsequent Events

The company has made the required notifications regarding net capital deficiency with FINRA and the SEC.