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| OMB APPROVAL                                     |                |
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Section  
**ANNUAL AUDITED REPORT**  
FORM X-17A-5  
PART II

| SEC FILE NUMBER |
|-----------------|
| 8-51337         |

Washington DC  
FACING PAGE  
408

**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 01/01/15 AND ENDING 12/31/15  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: KR SECURITIES LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
600 PRETTY BROOK ROAD  
(No. and Street)  
PRINCETON, NEW JERSEY 08540  
(City) (State) (Zip Code)

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

3/10

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
WALTER ALAN GILMORE 609-924-2500  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

MCGUIGAN TOMBS & COMPANY PC CERTIFIED PUBLIC ACCOUNTANTS  
(Name - if individual, state last, first, middle name)  
2399 HIGHWAY 34 BUILDING D MANASQUAN NJ 08736  
(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, WALTER ALAN GILMORE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of KR SECURITIES LLC, as of DECEMBER 31, 2015, 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:

Walter Alan Gilmore  
Signature

CCO

Title

Michelle Griffith  
Notary Public

**MICHELLE GRIFFITH**  
Notary Public  
State of New Jersey  
My Commission Expires Nov. 18, 2016  
I.D.# 2414722

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).

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of  
KR Securities, LLC

We have audited the accompanying statement of financial condition of KR Securities, LLC as of December 31, 2015, and the related statements of operations, changes in members' equity, and cash flows for the year then ended. These financial statements are the responsibility of KR Securities, LLC'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 KR Securities, LLC as of December 31, 2015, 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 supplemental information included on pages 12 and 13, has been subjected to audit procedures performed in conjunction with the audit of KR Securities, LLC's financial statements. The supplemental information is the responsibility of KR 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 17 C.F.R. §240.17a-5. In our opinion, the supplemental information included on pages 12 and 13 is fairly stated, in all material respects, in relation to the financial statements as a whole.

*McGuigan Tombs & Co. PC*

McGuigan Tombs & Company, P.C.  
Certified Public Accountants

February 23, 2016  
Manasquan, New Jersey



**KR Securities, LLC**

STATEMENT OF FINANCIAL CONDITION

December 31, 2015

ASSETS

|                                     |                   |
|-------------------------------------|-------------------|
| Cash and cash equivalents           | \$ 19,959         |
| Receivable from brokers and dealers | <u>111,080</u>    |
| Total assets                        | <u>\$ 131,039</u> |

MEMBER'S EQUITY

|                       |                   |
|-----------------------|-------------------|
| Member's equity       | <u>131,039</u>    |
| Total member's equity | <u>\$ 131,039</u> |

See accompanying notes to financial statements.

**KR Securities, LLC**

STATEMENT OF OPERATIONS

For the Year ended December 31, 2015

|                               |                 |
|-------------------------------|-----------------|
| Revenue                       |                 |
| Principal transactions        | \$ 28,528       |
| Commissions                   | 34,875          |
| Distribution service fee      | <u>22</u>       |
| Total revenues                | <u>63,425</u>   |
| Expenses                      |                 |
| Administrative services       | 17,500          |
| Clearance and commission fees | 33,497          |
| Insurance expense             | 1,622           |
| Dues and subscriptions        | 7,023           |
| Other operating expense       | <u>299</u>      |
| Total expenses                | <u>59,941</u>   |
| Net Income                    | <u>\$ 3,484</u> |

See accompanying notes to financial statements

**KR Securities, LLC**

**STATEMENT OF CHANGES IN MEMBER'S EQUITY**

For the Year ended December 31, 2015

|                                    |                   |
|------------------------------------|-------------------|
| Member's equity, beginning of year | \$ 77,555         |
| Member's addition                  | 50,000            |
| Net Income                         | <u>3,484</u>      |
| Member's equity, end of year       | <u>\$ 131,039</u> |

See accompanying notes to financial statements

**KR Securities, LLC**

**STATEMENT OF CASH FLOWS**

For the Year ended December 31, 2015

|  |                  |
|--|------------------|
| Cash flows used by operating activities                                      |                  |
| Net Income   | \$ 3,484         |
| Adjustments to reconcile net income to net cash used by operating activities |                  |
| Receivable from brokers and dealers  | <u>(45,443)</u>  |
| Net cash used by operating activities  | (41,959)         |
| Net cash provided by financing activities                                    |                  |
| Members' Addition  | <u>50,000</u>    |
| Net increase in cash and cash equivalents                                    | 8,041            |
| Cash and cash equivalents as of beginning of year                            | <u>11,918</u>    |
| Cash and cash equivalents as of end of year                                  | \$ <u>19,959</u> |

See accompanying notes to financial statements

## KR Securities, LLC

### NOTES TO FINANCIAL STATEMENTS

December 31, 2015

#### NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

##### Organization

KR Securities, LLC (the “Company”) is a single-member Delaware limited liability company. The Company is a wholly-owned subsidiary of Krieger, Ruderman & Co., LLC (the “Parent” or “Member”).

The Company is registered with the Securities and Exchange Commission as a broker-dealer and is a member of Financial Industry Regulatory Authority.

The Company does not carry customers’ accounts and does not receive, deliver or hold cash or securities in connection with such transactions. The Company has a clearing agreement with JP Morgan Clearing Corp (“JP Morgan”) whereby JP Morgan clears transactions for the Company’s customers and carries the accounts of such customers on a fully disclosed basis as customers of JP Morgan.

Accordingly, customer open transactions are not reflected on the accompanying statement of financial condition. The Company is exposed to credit losses on these open transactions in the event of nonperformance by its customers. This exposure is reduced by the Company’s policy of obtaining and maintaining adequate collateral until open transactions are completed.

##### Use of Estimates

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

##### Securities Transactions

Transactions in securities are recorded on the trade date. Securities owned and securities sold, but not yet purchased are recorded at market value on a trade-date basis. Securities sold, but not yet purchased are subject to market fluctuations which may require purchasing the securities at prices which may differ from the market value reflected on the statement of financial condition.

##### Commissions

Commission revenues and related expenses from customer transactions are recorded on the trade date. When acting as broker or dealer, the Company will be entitled to receive brokerage commissions, mark-ups or mark-downs.

## KR Securities, LLC

### NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2015

#### NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

##### Cash and cash equivalents

Cash and cash equivalents include cash and short-term money market instruments with original maturity dates of three months or less.

##### Concentration of credit risk

The Company maintains its cash balances with quality financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 per financial institution.

##### Income Taxes

The Company is a single-member limited liability company. The taxable income or loss of the Company is allocated to and included in the tax returns of the individual members of the Parent. The Company may be subject to state and local taxes in certain jurisdictions in which they operate.

Management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustments to the financial statements. The Company is no longer subject to income tax examination by the U.S. federal, state and locale tax authorities for years before 2011.

##### Subsequent events

FASB ASC 855 requires interim and annual disclosure of the date through which subsequent events have been evaluated, as well as whether that date is the date of the financial statements were issued or the date the financial statements were available to be issued. The Company evaluated subsequent events through the report date on February 23, 2016, no disclosure is necessary.

#### NOTE 2 - RELATED PARTY TRANSACTION

The expenses associated with management of the Company and certain other administrative expenses are allocated by the Parent to the Company pursuant to an expense allocation agreement. Accordingly, the results of operations are not necessarily indicative of those results had the Company been a stand-alone entity. For the year ended December 31, 2015, the Company was allocated administrative expenses of \$17,500 from the Parent.

## NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2015

### NOTE 3 - NET CAPITAL REQUIREMENTS

At December 31, 2015, the Company had net capital of \$125,974 which was \$120,974 in excess of its required net capital of \$5,000.

Proprietary accounts held at the clearing broker (“PAIB Assets”) are considered allowable assets in the computation of net capital pursuant to an agreement between the Company and the clearing broker, which requires, among other things, for the clearing broker to perform a computation of PAIB Assets similar to the customer reserve computation set forth in SEC rule 15c3-3.

### NOTE 4 - PROFIT SHARING PLAN

The Company has a nonqualified employee profit sharing plan, which provides for contributions at the discretion of management. Employees become vested over a six-year period. The Company did not make any contributions for the year ended December 31, 2015.

**SUPPLEMENTARY INFORMATION**

**KR Securities, LLC**

COMPUTATION OF NET CAPITAL PURSUANT TO  
RULE 15c3-1 OF THE SECURITIES AND EXCHANGE COMMISSION

December 31, 2015

|   |                   |
|---|-------------------|
| Net capital   |                   |
| Member's equity   | \$ 131,039        |
| Deductions and/or charges   |                   |
| Nonallowable assets   |                   |
| Other deductions  | <u>5,000</u>      |
| Net capital before haircuts on securities position                                    | 126,039           |
| Haircuts on securities positions  | <u>65</u>         |
| Net capital   | <u>\$125,974</u>  |
| Aggregate indebtedness  | \$ 0              |
| Aggregate indebtedness to net capital ratio   | 0 to 1            |
| Computation of basic net capital requirement  |                   |
| Minimum net capital required (greater of 6-2/3% of aggregate indebtedness or \$5,000) | <u>5,000</u>      |
| Net capital in excess of requirement  | <u>\$ 120,974</u> |

There are no material differences between the preceding computation and the Company's corresponding unaudited part II of Form X-17A-5 as of December 31, 2015.

**KR Securities, LLC**

STATEMENT REGARDING RULE 15c3-3

December 31, 2015

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii) of that Rule.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of  
KR Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which KR Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which KR Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3:(2)(ii) and KR Securities, LLC stated that KR Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. KR 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 KR 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.

*McGuigan Tombs & Co. PC*

McGuigan Tombs & Company, P.C.  
Certified Public Accountants

February 23, 2016  
Manasquan, New Jersey



KR Securities, LLC

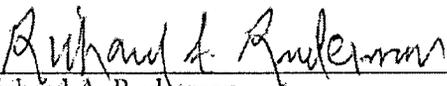
Exemption Report

December 31, 2015

KR Securities, LLC claims an exemption from Rule 240.15a5c3-3 based on provision (k) (2) (iii) of the Rule. All of KR Securities, LLC customer transactions are cleared through another broker-dealer on a fully disclosed basis.

KR Securities, LLC met the terms of the identified exemption throughout its most recent fiscal year (December 31, 2015) without exception.

I, Richard A Ruderman swear (or affirm) that the aforementioned statements are true.



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Richard A. Ruderman  
President and Chief Operating Officer  
KR Securities, LLC

1,2(B) Mr. Richard Ruderman  
KR Securities, LLC  
600 Pretty Brook Road  
Princeton, NJ 08540

2(B) Securities and Exchange Commission  
Office of Filing and Information Systems  
Attention: Registrations Branch  
Mail Stop 8031  
100 F Street NE  
Washington, D.C. 20549 202-551-6551

1(B) Securities and Exchange Commission  
George S. Canellos, Regional Director  
3 World Financial Center, Suite 400  
New York, N.Y. 10281 212-336-1100

1(B) Securities Investor Protection Corporation  
805 15<sup>th</sup> Street, N.W.  
Suite 800  
Washington, DC 2005-2215

1(B)

1(B) New York Bureau of Investment  
Protection and Securities  
120 Broadway, 23<sup>rd</sup> Floor  
New York, New York 10271

**NOT REQUIRED TO FILE**

1(B) State of New Jersey  
Bureau of Securities  
Gibraltar Building  
153 Halsey Street, 6<sup>th</sup> Floor  
Newark, N.J. 07102

**NOT REQUIRED TO FILE**

1(B) State of Florida  
Department of Financial Services  
200 East Gaines Street  
Tallahassee, FL 32399-0375

**NOT REQUIRED TO FILE**

REPORT PURSUANT TO RULE 17a-5(d) AND  
REPORT OF INDEPENDENT CERTIFIED  
PUBLIC ACCOUNTANTS

**KR SECURITIES, LLC**

December 31, 2015

1(B) NY Office  
1(B) Regional  
2(U) Workpapers

SEC  
Mail Processing  
Section

FEB 29 2016

Washington DC  
409

**KR SECURITIES, LLC**

**Financial Statements and  
Supplementary Information**

**For the Year Ended December 31, 2015**

**(With Independent Auditors' Report Thereon)**

**These financial statements and schedules  
should be deemed confidential pursuant to  
Subparagraph (e) (3) of Rule 17a-5**