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FEB 16 2017 ANNUAL AUDITED REPORT
FORM X-17A-5
PART III
Washington DC
406

SEC FILE NUMBER
8-68146

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 1/1/16 AND ENDING 12/31/16
mm/dd/yy mm/dd/yy

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **Funding Circle Securities, LLC**
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
747 Front St, Floor 4

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)
San Francisco **California** **94111**
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
David Spack **415-591-7778**
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Breard & Associates, Inc.
(Name - if individual, state last, first, middle name)

9221 Corbin Ave, Suite 170 **Northridge** **CA** **91324**
(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).

Potential persons who are to respond to the collection of

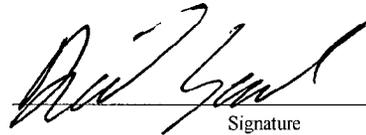
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information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

OATH OR AFFIRMATION

I, **David Spack**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Funding Circle Securities, LLC**, as of **December 31, 2016**, 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


Title


Notary Public *SEE ATTACHMENT*

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 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 Requirement 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).

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of San Mateo

Subscribed and sworn to (or affirmed) before me on this 30
day of January, 2017, by David Samuel Spak

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



(Seal)

Signature Marcos Rios Olvera

Funding Circle Securities, LLC

December 31, 2016

Table of Contents

Report of Independent Registered Public Accounting Firm	1
Statement of Financial Condition	2
Statement of Operations	3
Statement of Changes in Member's Equity	4
Statement of Cash Flows	5
Notes to the Financial Statements	6
Supplemental Information	
Schedule I:	8
Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	
Reconciliation with Company's Net Capital Computation	
Schedule II:	9
Computation for Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	
Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	
Report of Independent Registered Public Accounting Firm	10
Exemption Report	11



BREARD & ASSOCIATES, INC.
CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Registered Public Accounting Firm

Member
Funding Circle Securities, LLC

We have audited the accompanying statement of financial condition of Funding Circle Securities, LLC as of December 31, 2016, and the related statement of operations, changes in member's equity, and cash flows for the year then ended. These financial statements are the responsibility of Funding Circle 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 also 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 basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Funding Circle Securities, LLC as of December 31, 2016, 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.

The information contained in Schedule I and II (supplemental information) has been subjected to audit procedures performed in conjunction with the audit of Funding Circle Securities, LLC's financial statements. The supplemental information is the responsibility of Funding Circle 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, Schedules I and II are fairly stated, in all material respects, in relation to the financial statements taken as a whole.


Breard & Associates, Inc.
Certified Public Accountants

Oakland, California
January 30, 2017

FUNDING CIRCLE SECURITIES, LLC

STATEMENT OF FINANCIAL CONDITION

December 31, 2016

ASSETS

Cash	\$ 53,196
Prepaid Assets	<u>1,180</u>
Total assets	<u>\$ 54,376</u>

LIABILITIES AND MEMBER'S CAPITAL

Liabilities:	
Accounts payable and accrued liabilities	<u>\$ 11,815</u>
Total liabilities	11,815
Commitments and contingencies	
Member's capital	<u>42,561</u>
Total liabilities and member's capital	<u>\$ 54,376</u>

See accompanying notes

FUNDING CIRCLE SECURITIES, LLC
STATEMENT OF OPERATIONS
for the year ended December 31, 2016

Revenue	-
Expenses	
Professional Fees	\$ 30,381
Regulatory Fees	70,071
Operating expenses	<u>4,590</u>
Total expenses	105,042
Net loss	<u><u>\$ (105,042)</u></u>

See accompanying notes

FUNDING CIRCLE SECURITIES, LLC

STATEMENT OF CHANGES IN MEMBER'S CAPITAL

for the year ended December 31, 2016

Member's capital, beginning of year	\$ 57,603
Contributions	90,000
Net loss	<u>(105,042)</u>
Member's capital, end of year	<u><u>\$ 42,561</u></u>

See accompanying notes

FUNDING CIRCLE SECURITIES, LLC**STATEMENT OF CASH FLOWS**

for the year ended December 31, 2016

Cash flows from operating activities:	
Net loss	\$ (105,042)
Change in operating assets and liabilities:	
Prepaid Expense	35,092
Accounts payable and accrued expenses	<u>9,615</u>
Net cash used in operating activities	<u>(60,335)</u>
Cash flows from financing activities:	
Contributions from member	<u>90,000</u>
Net cash provided by financing activities	<u>90,000</u>
Net increase in cash	29,665
Cash, beginning of year	<u>23,531</u>
Cash, end of year	<u><u>\$ 53,196</u></u>
Supplemental information:	
Income taxes paid	<u><u>\$ -</u></u>
Interest paid	<u><u>\$ -</u></u>

See accompanying notes

Funding Circle Securities, LLC

Notes to the Financial Statements

December 31, 2016

1. Organization and Summary of Accounting Policies

Organization and Nature of Business

Funding Circle Securities, LLC (formerly known as DSRM Brokerage, LLC) (the “Company”) is a Delaware Limited Liability Company formed on December 17, 2008 with a perpetual term of existence and limited liability in accordance with the firm's operating agreement and relevant state law. The Company is a foreign LLC registered to do business in California. The Company is 100% owned by Funding Securities USA, Inc. (the “Parent”).

The Company became a member of the Financial Industry Regulatory Authority on March 22, 2010. The Company is a private placement broker-dealer registered with the U.S. Securities and Exchange Commission (“SEC”), a SIPC member and is regulated by the Financial Industry Regulatory Authority (“FINRA”).

The Company is registered as an exempt foreign dealer with the Ontario Securities Commission

The Company conducts a securities business limited to private placement of securities issued by an affiliated company.

Basis of Presentation

The financial statements of the Company have been prepared using accounting principles generally accepted in the United States of America (“U.S. GAAP”). Financial statements prepared on a U.S. GAAP-basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Recent Accounting Pronouncements

The Company does not expect any recent accounting pronouncements to have any material impact on its financial condition or results of operations.

2. Net Capital

The Company is a member firm of FINRA, and is subject Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. Under this rule, the Company is required to maintain minimum “Net Capital” of the greater of \$5,000 or 6 2/3% of “Aggregate Indebtedness”, as these terms are defined, and that the ratio of aggregate indebtedness to net capital, both as defined by the Rule, shall not exceed 15 to 1. Net Capital and Aggregate Indebtedness change daily. The Company had Net Capital of \$41,381 at December 31, 2016 which exceeded the regulator requirement of \$5,000 by \$36,381. The ratio of Aggregate Indebtedness to Net Capital was .29 at December 31, 2016.

3. Income Taxes

The Company was formed as a Delaware Limited Liability Company (“LLC”). LLC’s are not taxable entities and are treated in the same manner as a partnership for federal and state income tax purposes. Federal and state income tax statutes require that the income or loss of the LLC be included in the tax returns of the individual members.

The Company recognizes and measures its unrecognized tax benefits in accordance with Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) 740, *Income Taxes*. Under that guidance the Company assesses the likelihood, based on their technical merit, that tax positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. The measurement of unrecognized tax benefits is adjusted when new information is available, or when an event occurs that requires a change.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state, local, and foreign jurisdictions, where applicable. The Company is subject to examination by the federal and state taxing authorities for the prior three years.

4. Related Party Transactions

The Company has an expense sharing agreement with the Parent. The Company has no obligation to reimburse or compensate the Parent unless requested by the Parent. The Company's results of operations and financial position could differ from those that would have been obtained if the entities were autonomous.

5. Subsequent Events

The Company has evaluated events subsequent to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through January 30, 2017, which is the date the financial statements were available to be issued. Based upon this review, the Company has determined that there were no events which took place that would have a material impact on its financial statements.

**SUPPLEMENTAL INFORMATION
SCHEDULE I**

FUNDING CIRCLE SECURITIES, LLC
**COMPUTATION OF NET CAPITAL FOR BROKERS AND DEALERS PURSUANT
TO RULE 15c3-1 UNDER THE SECURITIES EXCHANGE ACT OF 1934**

for the year ended December 31, 2016

Net capital:	
Total member's capital	\$ 42,561
Less: Non-allowable assets	
Prepaid expense	1,180
	1,180
Total non-allowable assets	1,180
Net Capital	41,381
Aggregate indebtedness:	
Items included in statement of financial condition:	
Accounts payable and accrued liabilities	\$ 11,815
Total aggregate indebtedness (A.I.)	<u>\$ 11,815</u>
Computation of basic net capital requirement, greater of:	
Minimum net capital required (6-2/3% of A.I.)	<u>\$ 788</u>
Minimum dollar requirement	<u>\$ 5,000</u>
Excess net capital	<u>\$ 36,381</u>
Net capital less greater of 10% of A.I. or 120% of minimum dollar requirement	<u>\$ 35,381</u>
Ratio: Aggregate indebtedness to net capital	<u>28.6%</u>

The above computation of net capital pursuant to SEC Rule 15c3-1 does not differ materially from the computation as of December 31, 2016 included in the Company's unaudited Form X-17a5, Part IIA.

See Independent Auditor's Report

**SUPPLEMENTAL INFORMATION
SCHEDULE II**

**Computation for Determination of Reserve Requirements Under
Rule 15c3-3 of the Securities and Exchange Commission**

**Information Relating to Possession or Control Requirements Under
Rule 15c3-3 of the Securities and Exchange Commission**

For the Year Ended December 31, 2016

An exemption from Rule 15c3-3 is claimed, based upon section (k)(2)(i). The Company does not accept or handle customer funds or securities.

See Independent Auditor's Report

Report of Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

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



Breard & Associates, Inc.
Certified Public Accountants

Oakland, California
January 30, 2017



January 30, 2017

SEA 15c3-3 Exemption Report

I, David Spack, Chief Compliance Officer of Funding Circle Securities, LLC (the "Company") represent the following:

1. The Company claims the k(2)(i) exemption to SEA §240.15c3-3;
2. The Company met the identified exemption provisions in SEA §240.15c3-3(k) throughout the most recent fiscal year ending December 31, 2016 without exception;

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David Spack". The signature is written in a cursive, flowing style.

David Spack
Chief Compliance Officer



SEC Headquarters
100 F Street, NE
Washington, D.C. 20549
(202) 942-8088

SEC
Mail Processing
Section

FEB 16 2017

Washington DC
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February 10, 2017

To Whom It May Concern:

As required, please find audited financials for 2016 for Funding Circle Securities, LLC.

If any other information is required, please do not hesitate to reach out.

Sincerely,

A handwritten signature in black ink, appearing to read "Neelam Takhar", written in a cursive style.

Neelam Takhar | *Compliance Officer*

neelam.takhar@fundingcircle.com | (415) 813 - 5245 (o) | (415) 741-0157 (d)

747 Front St, Floor Four | San Francisco, CA 94111

Our Mission: to build a better financial world