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

SEC FILE NUMBER
8-69689

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 05/11/2016 AND ENDING 12/31/2016  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: EquityZen Securities LLC

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

10 W. 18<sup>th</sup> St 7<sup>th</sup> Fl

(No. and Street)

New York

New York

10011

(City)

(State)

(Zip Code)

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

Shriram Bhashyam

(347) 352- 2085

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Richey May & Co

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

9605 S. Kingston., Suite 200

Englewood

CO

80112

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountants
- 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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SEC 1410 (06-02)

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

OATH OR AFFIRMATION

I Shriram Bhashyam, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Equityzen 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:

No Exceptions

SL Bly  
Signature

CEO

Title

Nancy Pabon 2/22/17  
Notary Public

NANCY PABON  
NOTARY PUBLIC-STATE OF NEW YORK  
NO. 01PA6253848  
QUALIFIED IN KINGS COUNTY  
MY COMMISSION EXPIRES 01-09-2020

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).

# **EquityZen Securities, LLC**

## **STATEMENT OF FINANCIAL CONDITION**

(With Report of Independent Registered Public Accounting Firm Therein)

DECEMBER 31, 2016

# EquityZen Securities, LLC

## INDEX

December 31, 2016

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**Report of Independent Registered Public Accounting Firm** 1

### **Financial Statement**

Statement of Financial Condition 2

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Assurance | Tax | Advisory

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member  
EquityZen Securities LLC  
New York, New York

We have audited the accompanying financial statements of EquityZen Securities LLC (the Company) which comprise the statement of financial condition as of December 31, 2016 and the related notes that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934.

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. 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 financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement position. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred above present fairly, in all material respects, the financial position of EquityZen Securities LLC as of December 31, 2016, in accordance with accounting principles generally accepted in the United States of America.

*Richey May & Co.*

Englewood, Colorado  
February 24, 2017

# EquityZen Securities, LLC

## STATEMENT OF FINANCIAL CONDITION

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December 31, 2016

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### ASSETS

Cash	\$ 574,408
Accounts receivable	26,774
Prepaid expenses	<u>14,919</u>
Total assets	<u>\$ 616,101</u>

### LIABILITIES AND MEMBER'S EQUITY

Due to parent	\$ 38,560
Accounts payable and accrued expenses	17,420
Deferred revenue	16,341
Member's equity	<u>543,780</u>
Total liabilities and member's equity	<u>\$ 616,101</u>

# EquityZen Securities, LLC

## NOTES TO FINANCIAL STATEMENT

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### 1. Nature of business

#### *Nature of Business*

EquityZen Securities LLC (the "Company"), is a Delaware limited liability company with its principal place of business in New York. The Company is wholly-owned by EquityZen Inc (the "Parent"). The Company is 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 provides certain private placement advisory services on a fee basis, to institutions and qualified individuals. The Company acts as placement agent in private placement transactions and also advises on structuring of private placement transactions. The Company is typically compensated on a fee for services basis, including placement agent fee for the placement of securities.

### 2. Summary of significant account policies

#### *Basis of Presentation*

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

#### *Fees Receivable*

The Company carries its fees receivable at cost less an allowance for doubtful accounts. On a periodic basis, the Company evaluates its fees receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections and current credit conditions. There were no allowance for doubtful accounts required at December 31, 2016.

#### *Revenue Recognition*

Placement fees are fees that the company collects for clients who purchase interest in series funds. Selling fees are fees that the company collects from clients who sell interest in series funds.

#### *Income Taxes*

The Company is a limited liability company, and treated as a partnership for income tax reporting purposes. The Internal Revenue Code ("IRC") provides that any income or loss is passed through to the members for federal and state income tax purposes. Accordingly, the Company has not provided for state income taxes. The Company's Parent files its income tax returns in the U.S. and various state and local jurisdictions. At December 31, 2016, management has determined that the Company had no uncertain tax positions that would require financial statement recognition. This determination will always be subject to ongoing reevaluation as facts and circumstances may require. The Company remains subject to U.S. federal and state income tax audits for all periods subsequent to 2016.

#### *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 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.

# EquityZen Securities, LLC

## NOTES TO FINANCIAL STATEMENTS

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### 3. Cash and concentration of credit risk

In the normal course of business, the Company maintains its cash balances in one financial institution, which exceed federally insured limits. The Company is subject to credit risk should the financial institution be unable to fulfill its obligations. The Company has not experienced any losses in such accounts and management monitors the financial condition of the financial institution and does not anticipate any losses from this counterparty.

### 4. Related party transactions

#### Service Agreement and Due to/from Parent

Pursuant to a service agreement, the Parent provides various services and other operating assistance to the Company. These include professional services, physical premises, utilities, the use of fixed assets, subscriptions, taxes, personnel and other general and administrative services. For the year ended December 31, 2016, the total amount incurred by the Company under this agreement was approximately \$245,000. The Company paid approximately \$219,000 in 2016. The remainder of approximately \$26,000 was a payable to the Parent at December 31, 2016.

### 5. Net capital requirement

The Company is a member of the Financial Industry Regulatory Authority and is subject to the Securities and Exchange Commission Uniform Net Capital Rule 15c3-1. This Rule requires the maintenance of minimum net capital and that the ratio of aggregate indebtedness to net capital, shall not exceed 8 to 1 and that equity capital may not be withdrawn if the resulting net capital ratio would exceed 10 to 1. At December 31, 2016, the Company's net capital was approximately \$502,000 which was approximately \$493,000 in excess of its minimum requirement of approximately \$9,000.

### 6. Exemption from Rule 15c3-3

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934 as of December 31, 2016, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(i) of the Rule.

### 7. Unearned Revenue

Revenue that was received prior to year-end for services performed subsequent to year-end.

### 8. Commitments and Contingencies

The Company leases office space under an operating lease expiring through 2019. Future minimum lease payments as of December 31, 2016 are as follows:

Year	Amount
2017	\$23,386
2018	\$24,087
2019	\$12,222

### 9. Subsequent Events

The company has performed an evaluation of subsequent events through the date of the financial statements were available to be issued. The evaluation did not result in any additional subsequent events that required disclosure and/or adjustment.