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OMB APPROVAL	
OMB Number:	3235-0123
Expires:	May 31, 2017
Estimated average burden	hours per response..... 12.00

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

SEC
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Section

SEC FILE NUMBER
8- 48011

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 01/01/2016 AND ENDING 12/31/2016
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: *Ren Cap Securities, Inc.*

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

780 Third Avenue, 20th Floor

New York

(City)

New York

(State)

10017

(Zip Code)

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

Anthony Simone

646-216-1733

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Marcum LLP

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

750 Third Avenue

(Address)

New York

(City)

New York

(State)

10017

(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)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, Anthony Simone, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of RenCap Securities, Inc., as of December 31st, 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:

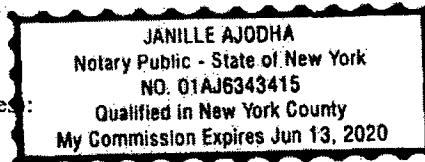
Anthony Simone

Signature

CFO

Title

[Signature]
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 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).**

RenCap Securities, Inc.
Statement of Financial Condition

December 31, 2016

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder
of RenCap Securities, Inc.

We have audited the accompanying statement of financial condition of RenCap Securities, Inc. (the "Company") as of December 31, 2016, and the related notes to the financial statement. This financial statement is the responsibility of the Company's management. 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 of the effectiveness of the Company's internal control over financial reporting. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition, 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 position of RenCap Securities, Inc. as of December 31, 2016 in accordance with accounting principles generally accepted in the United States of America.

Marcum LLP

New York, NY
February 28, 2017



RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

Assets

Cash	\$ 6,359,114
Receivables from clearing broker	1,201,726
Fixed assets, net	255,053
Due from affiliates	111,555
Prepaid income taxes	654,420
Deferred tax asset, net	547,109
Other assets	303,580
Interest receivable	40,678
Total assets	<u>\$ 9,473,235</u>

Liabilities and stockholder's equity

Liabilities:

Accrued compensation	\$ 2,325,806
Accounts payable and accrued expenses	289,947
Due to affiliates	57,754
Total liabilities	<u>2,673,507</u>

Commitments and Contingencies

Stockholder's equity:

Common stock, \$0.01 par value; 100 shares authorized, issued, and outstanding	1
Additional paid-in capital	21,549,999
Less: loan receivable	(21,000,000)
Retained earnings	6,249,728
Total stockholder's equity	<u>6,799,728</u>
Total liabilities and stockholder's equity	<u>\$ 9,473,235</u>

The accompanying notes are an integral part of this financial statement.

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

1. Organization

RenCap Securities, Inc. (the “Company”) is a broker-dealer registered with the securities and exchange commission (the “SEC”), under the Securities Exchange Act of 1934 and is a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investors Protection Corp (“SIPC”). The Company is a wholly-owned subsidiary of Renaissance UK Holdings Limited (the “Parent”), a UK registered company, which is a wholly-owned subsidiary of Renaissance Financial Holdings Limited, a limited liability company incorporated in Bermuda.

The Company is engaged in the providing execution services to its customer base in emerging and frontier market products across Europe, Middle East and Africa. In exchange for these services, the company earns a net share of commission and brokerage income.

The accompanying financial statements have been prepared from the separate records maintained by the Company and, due to certain transactions and agreements with affiliated entities, may not necessarily be indicative of the financial condition that would have existed, or the results that would have been obtained from operations, had the Company operated as an unaffiliated entity.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statement has been prepared in conformity with accounting principles generally accepted in the United States of America (“US GAAP”).

Use of Estimates in the Financial Statement

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less when purchased to be cash equivalents.

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

2. Summary of Significant Accounting Policies (Continued)

As December 31, 2016, the Company had no cash equivalents.

Fixed Assets

Furniture, equipment and computer software are carried at cost and are depreciated on a straight-line basis using the estimated useful lives of the respective assets, ranging from three to five years.

Leasehold improvements are being amortized on a straight-line basis over the shorter of the estimated useful life of the improvement or the term of the lease.

Income Taxes

The Company accounts for income taxes under the liability method, tax rates are applied to cumulative temporary differences based on when and how they are expected to affect the tax return.

Deferred income tax assets and liabilities are determined based upon differences between financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce the deferred income tax assets to the amount expected to be realized.

The Company accounts for uncertain income tax position under a “more likely than not” recognition threshold before being recognized in the financial statement which requires the measurement of uncertain tax positions, the classification of interest and penalties and disclosure for tax reserves. As of December 31, 2016, the Company had no uncertain tax position that would require to be recorded or disclosed in the financial statement.

Subsequent Events

The company has evaluated subsequent events for recognition and disclosure through the date this financial statement was available to be issued.

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

3. Net Capital and Other Regulatory Requirements

The Company, a registered broker dealer, is subject to Rule 15c3-1, the Uniform Net Capital Rule, of the Securities and Exchange Commission ("SEC"). This rule requires the maintenance of minimum net capital of \$250,000. The company complies with the alternative net capital requirement allowed in Appendix E of Rule 15c3-1. At December 31, 2016, the company had net capital of \$4,887,333 which was \$4,637,333 in excess of the required minimum net capital.

Advances, dividends, and capital withdrawals may be limited by various regulations in order to maintain required minimum net capital.

Proprietary balances, if any, held at the Company's clearing broker ("PAIB assets") are considered allowable assets for net capital purposes, pursuant to agreements between the Company and the clearing broker, which require, among other things, that the clearing broker performs computations for PAIB assets and segregates certain balances on behalf of the Company, if applicable.

With respect to its introduced customer transactions in domestic securities, the Company is exempt from SEC Rule 15c3-3 under paragraph (k)(2)(ii) of that rule.

4. Receivables from Clearing Broker

The Company introduces and clears certain customer trades on a fully disclosed basis through its clearing broker, Convergen Execution Solutions, LLC ("Convergen"). At December 31, 2016, the total amount due from Convergen was \$1,201,726 of which \$1,000,000 consists of a clearing deposit and \$201,726 consists of commissions receivable.

5. Fixed Assets

Fixed assets at December 31, 2016 consist of the following:

Equipment	\$ 696,155
Leasehold improvements	3,958,799
Furniture and fixtures	458,969
Total Fixed assets	5,113,923
Less, accumulated depreciation and amortization	4,858,870
Total fixed assets less accumulated depreciation	<u>\$ 255,053</u>

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

6. Income Taxes

At December 31, 2016, the Company recorded a deferred tax asset of \$547,109, (net of deferred tax liability of \$137,868) which primarily relates to depreciation not yet deductible for tax purposes and net operating loss carryforwards. The net operating loss carryforwards relate to the tax jurisdictions of New York State and New York City. For New York State purposes, the net operating loss carryforward consists of a remaining unutilized \$1,234,102 loss generated in 2014 and expiring in 2034, and a \$281,315 loss generated in 2015 and expiring in 2035. The net deferred tax benefit related to the New York State net operating loss carryforwards is \$120,835. For New York City purposes, the net operating loss carryforward consists of a remaining unutilized \$1,160,107 loss generated in 2014 and expiring in 2034, and a \$357,487 loss generated in 2015 and expiring in 2035. The net deferred tax benefit related to the New York State net operating loss carryforwards is \$134,307. At December 31, 2016, the Company did not record a valuation allowance for its deferred tax assets as it is more likely than not that the deferred tax assets will be fully realized. The Company did not accrue any interest or penalties for the year ended December 31, 2016.

7. Related Party Transactions

Included in Due to affiliates on the statement of financial condition is costs paid on behalf the Company by affiliates of \$57,754. At December 31, 2016, the costs paid by the Company on behalf of its affiliates amounted to \$111,555.

At December 31, 2016, a loan outstanding from the Company's affiliate totaled \$21,000,000. Interest on the loan is LIBOR plus 1%, and the loan matures on June 22, 2017. Such loan is reported as reduction of stockholder's equity in the accompanying statement of financial condition, because the affiliate entity is under common control with the Parent and the loan will be extended or treated as a distribution on the maturity date. In connection with the Company's loan to its affiliate, the Company had communicated verbally to FINRA and did not submit written notifications to FINRA and SEC in accordance with SEC Rule 15c3-1(e)(1). As this loan is treated as non-allowable asset in the FOCUS report and reported as a reduction of stockholder's equity in the accompanying statement of financial condition, this loan has no impact in the computation of the Company's required net capital.

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

8. Commitments, Contingent Liabilities, and Concentration of Credit Risk

In the normal course of business, the Company enters into various equity transactions as the agent. The execution and settlement of these transactions can result in off-balance-sheet risk or concentrations of credit risk.

The Company is exposed to off-balance-sheet risk of loss on unsettled transactions in the event clients and other counterparties are unable to fulfill contractual obligations. All trades outstanding at December 31, 2016, settled in a timely manner, resulting in no exposure to unsettled transactions as of December 31, 2016. The Company is also exposed to credit risk as it relates to the collection of receivables from third parties.

The Company maintains its cash balances with one major financial institution.

Litigation

From time to time, the Company may be involved in ordinary routine litigation incidental to its business. Currently, there are no litigations against the Company.

Certain conditions may exist as of the date the financial statement is issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company, or un-asserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein.

During the normal course of business, the Company is subject to routine examinations by regulatory authorities. As of December 31, 2016, there are no outstanding issues as a result of these examinations that could have a material impact to the financial statement.

Indemnifications

The Company functions as an introducing broker that places and executes customer orders. The orders are then settled by an unrelated clearing organization that maintains custody of customers' securities. Through indemnification provisions in agreements with clearing organization, customer activities may expose the Company to off-balance sheet credit risk. Financial instruments may have to be purchased or sold at prevailing market prices in the event a customer fails to settle a

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

8. Commitments, Contingent Liabilities, and Concentration of Credit Risk (Continued)

trade on its original terms or in the event cash and securities in customer margin accounts are not sufficient to fully cover customer obligations. The Company seeks to control the risks associated with customer activities through customer screening and selection procedures as well as through requirements on customers to maintain margin collateral in compliance with various regulations and clearing organization policies.

9. Fair Value Measurement

Certain financial instruments are carried at cost on the statement of financial condition, which approximates fair value due to their short term highly liquid nature. These financial instruments include cash, receivables, and accounts payable.

10. Incentive Compensation Plans

Certain employees of the Company participate in a long-term incentive compensation plan (the "Plan"). The Plan primarily consists deferred compensation which is subject to certain vesting provisions.

RenCap Securities, Inc.

Statement of Financial Condition

December 31, 2016

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STATEMENT OF FINANCIAL CONDITION

RenCap Securities, Inc.

December 31, 2016

With Report of Independent Registered Public
Accounting Firm



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Deloitte & Touche LLP
30 Rockefeller Plaza
New York NY 10112-0015
USA

Tel: +1 212 492 4000
www.deloitte.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Member of
Safra Securities LLC
New York, New York

We have examined Safra Securities LLC (the "Company") statements, included in the accompanying Compliance Report, that (1) the Company's internal control over compliance was effective during the period from January 6, 2016 to December 31, 2016; (2) the Company's internal control over compliance was effective as of December 31, 2016; (3) the Company was in compliance with 17 C.F.R. §§ 240.15c3-1 (the "net capital rule") and 240.15c3-3(e) (the "reserve requirements rule") as of December 31, 2016; and (4) the information used to state that the Company was in compliance with the net capital rule and reserve requirements rule was derived from the Company's books and records. The Company's management is responsible for establishing and maintaining a system of internal control over compliance that has the objective of providing the Company with reasonable assurance that non-compliance with the net capital rule, 17 C.F.R. § 240.15c3-3, 17 C.F.R. § 240.17a-13, or NASD Rule 2340 of the Financial Industry Regulatory Authority that requires account statements to be sent to the customers of the Company will be prevented or detected on a timely basis. Our responsibility is to express an opinion on the Company's statements based on our examination.

We conducted our examination in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Company's internal control over compliance was effective as of December 31, 2016 and for the period from January 6, 2016 to December 31, 2016; the Company complied with the net capital rule and reserve requirements rule as of December 31, 2016; and the information used to assert compliance with the net capital rule and reserve requirements rule as of December 31, 2016 was derived from the Company's books and records. Our examination includes testing and evaluating the design and operating effectiveness of internal control over compliance, testing and evaluating the Company's compliance with the net capital rule and reserve requirements rule, determining whether the information used to assert compliance with the net capital rule and reserve requirements rule was derived from the Company's books and records, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Company's statements referred to above are fairly stated, in all material respects.

Deloitte & Touche LLP

February 28, 2017



Safra Securities LLC

Safra Securities LLC's Compliance Report

Safra Securities LLC (the "Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Compliance Report was prepared as required by 17 C.F.R. § 240.17a-5(d) (1) and (3). To the best of its knowledge and belief, the Company states the following:

- (1) The Company has established and maintained Internal Control Over Compliance, as that term is defined in paragraph (d) (3) (ii) of Rule 17a-5.
- (2) The Company established its Internal Control Over Compliance beginning January 6, 2016 when the Company began self-clearing. The Company's Internal Control Over Compliance was effective during the period from January 6 through December 31, 2016.
- (3) The Company's Internal Control Over Compliance was effective as of the end of the period ended December 31, 2016.
- (4) The Company was in compliance with 17 C.F.R. §240.15c3-1 and 17 C.F.R. §240.15c3-3 (e) as of the end of the period ended December 31, 2016.
- (5) The information the Company used to state that the Company was in compliance with 17 C.F.R. §240.15c3-1 and 17 C.F.R. §240.15c3-3 (e) was derived from the books and records of the Company.

We, Douglas Episcopio, Michelle Hui, Frank Wanzor and Carlos Bertaco, affirm that, to the best of our knowledge and belief, this Compliance Report is true and correct.

Member FINRA/SIPC/MSRB

546 Fifth Avenue

New York, NY 10036

Tel. 212-704-5524

Fax 212-704-5558



Safrat Securities LLC

Douglas Episcopo 2/28/17
Douglas Episcopo, FINOP Date
(11/1/2016 onward)

Frank Wanzor 2/28/17
Frank Wanzor, Chief Compliance Officer Date

Michelle Hui 2/28/17
Michelle Hui, FINOP Date
(1/1/2016 to 10/31/2016)

Carlos Bertaco 2/28/17
Carlos Bertaco, Director Date

2/2

Member FINRA/SIPC/MSRB

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