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

MAR 01 2017  
 Washington DC  
 408

SEC FILE NUMBER
8-48481

**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 01/01/17 AND ENDING 12/31/17  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: **Beta Capital Securities, LLC**  
 ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
**777 Brickell Avenue Suite 1201**

OFFICIAL USE ONLY
FIRM I.D. NO.

(No. and Street)  
**Miami** **FL** **33131**  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
**Idelma Hervis** **305-358-8814**  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

**Kaufman Rossin & Co., P.A.**

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

**2699 S. Bayshore Drive** **Miami** **FL** **33133**  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

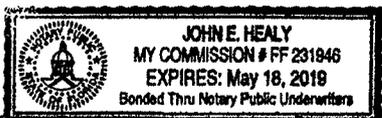
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

RMS

OATH OR AFFIRMATION

I, Noelia Povedano, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Beta Capital Securities, LLC of December 31, 2017, 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:



[Signature]
Notary Public

[Signature]

Signature
Chief Executive Officer
Title

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).

## CONTENTS

	Page
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	1
FINANCIAL STATEMENT	
Statement of Financial Condition	2
Notes to Statement of Financial Condition	3-7

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors of Beta Capital Securities, LLC

***Opinion on the Financial Statement***

We have audited the accompanying statement of financial condition of Beta Capital Securities, LLC as of December 31, 2017, and the related notes (collectively referred to as the financial statement). In our opinion, the financial statement presents fairly, in all material respects, the financial position of Beta Capital Securities, LLC as of December 31, 2017 in conformity with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

This financial statement is the responsibility of Beta Capital Securities, LLC's management. Our responsibility is to express an opinion on Beta Capital Securities, LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Beta Capital Securities, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement. We believe that our audit provides a reasonable basis for our opinion.



Kaufman, Rossin & Co., P.A.

We have served as Beta Capital Securities, LLC's auditor since 1995.

February 23, 2018  
Miami, Florida

**BETA CAPITAL SECURITIES, LLC**  
STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2017

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**ASSETS**

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CASH AND CASH EQUIVALENTS, INCLUDING \$689,644 SEGREGATED FOR EXCLUSIVE BENEFIT OF CUSTOMERS (NOTE 2)	\$	8,513,855
RECEIVABLE FROM BROKERS (NOTE 2)		337,982
DEPOSIT AT BROKERS (NOTE 2)		450,260
PROPERTY AND EQUIPMENT (NOTE 4)		364,357
DUE FROM RELATED PARTY (NOTE 5)		556,466
OTHER ASSETS		200,968
	\$	10,423,888

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**LIABILITIES AND MEMBERS' EQUITY**

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LIABILITIES		
Commissions payable	\$	923,822
Accounts payable and accrued liabilities (NOTE 5)		540,876
Due to related party (NOTE 5)		5,500
Total liabilities		1,470,198
LEASE COMMITMENTS AND CONTINGENCIES (NOTE 6)		
MEMBERS' EQUITY		8,953,690
	\$	10,423,888

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See accompanying notes.

**BETA CAPITAL SECURITIES, LLC**  
**NOTES TO STATEMENT OF FINANCIAL CONDITION**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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***Description of Business and Organization***

Beta Capital Securities, LLC (the Company) is registered with the Securities and Exchange Commission as a broker-dealer of various types of equity, debt, commodity, and mutual fund securities. The Company acts in an agency and riskless principal capacity, buying and selling these securities for its customers, primarily within Latin America, and charging a commission. As of December 31, 2017, the Company was 99% owned by Credit Andorra, SA (CASA), an Andorran bank and provider of financial services. Effective January 1, 2018, CASA's 99% ownership transferred to Credit Andorra US GP (USGP), who now owns 100% of the Company.

***Government and Other Regulation***

The Company's business is subject to significant regulation by various governmental agencies and self-regulatory organizations. Such regulation includes, among other things, periodic examinations by these regulatory bodies to determine whether the Company is conducting and reporting its operations in accordance with the applicable requirements of these organizations.

***Cash and Cash Equivalents***

The Company considers all highly liquid debt instruments having maturities of three months or less at the date of acquisition to be cash equivalents. The Company may, during the ordinary course of business, maintain account balances in excess of federally insured limits.

***Securities Transactions and Revenue Recognition***

Securities transactions, along with related commission income, clearing costs and commission expenses, are reported on a trade date basis, and are valued at quoted market or dealer quotes.

***Property and Equipment***

Property and equipment is recorded at cost. Expenditures for major betterments and additions are charged to the asset accounts while replacements, maintenance and repairs which do not improve or extend the lives of the respective assets are charged to expense currently.

Depreciation of property and equipment is computed using the straight-line method based upon estimated useful lives of three to five years. Amortization of leasehold improvements is computed using the straight-line method over the shorter of the term of the lease or the estimated useful lives of the assets.

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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***Defined Contribution Plan***

The Company maintains a 401(k) plan covering substantially all employees, with the Company matching up to 4% of employee payroll deferrals at the Company's discretion.

***Use of Estimates in the Preparation of Financial Statements***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 statement of financial condition. Actual results could differ from those estimates.

***Income Taxes***

The Company is a Limited Liability Company, which is a disregarded entity for federal income tax purposes. Instead, its taxable income or loss is reflected on Credit Andorra, SA's (the ultimate Parent) income tax return. No provision for income taxes is included in the accompanying financial statements, as the Parent does not allocate income taxes to the Company.

The Company assesses its tax positions in accordance with "*Accounting for Uncertainties in Income Taxes*" as prescribed by the Accounting Standards Codification, which provides guidance for financial statement recognition and measurement of uncertain tax positions taken or expected to be taken in a tax return for open tax years (generally a period of three years from the later of each return's due date or the date filed) that remain subject to examination by the Company's major tax jurisdictions.

The Company assesses its tax positions and determines whether it has any material unrecognized liabilities for uncertain tax positions. The Company records these liabilities to the extent it deems them more likely than not to be incurred. Interest and penalties related to uncertain tax positions, if any, would be classified as a component of income tax expense.

The Company believes that it does not have any significant uncertain tax positions requiring recognition or measurement in the accompanying financial statements.

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**NOTE 2. RISK CONCENTRATIONS**

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***Clearing and Depository Concentrations***

The clearing and depository operations for the Company's securities transactions are provided by two brokerage firms. The principal offices are in St. Petersburg, Florida and Omaha, Nebraska. At December 31, 2017, \$100,460 of the receivable from brokers, \$7,312,035 of cash and cash equivalents, and the \$450,260 deposit at brokers as reflected in the accompany statement of financial condition, are held by and due from the clearing brokers.

***Other Risk Concentrations***

In the normal course of business, the Company's customer activities involve the execution, settlement, and financing of various customer securities transactions. These activities may expose the Company to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contracted obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

The Company's customer securities activities are transacted on either a cash or margin basis. In margin transactions, the Company, through its clearing firm, extends credit to its customers, subject to various regulatory and internal margin requirements, collateralized by cash and securities in the customers' accounts. In connection with these activities, the Company executes customer transactions involving the sale of securities not yet purchased, substantially all of which are transacted on a margin basis subject to individual exchange regulations. Such transactions may expose the Company to significant off-balance-sheet risk in the event margin requirements are not sufficient to fully cover losses that customers may incur. In the event a customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at prevailing market prices to fulfill the customer's obligations. The Company seeks to control the risks associated with its customer activities by requiring customers to maintain margin collateral in compliance with various regulatory and internal guidelines. The Company monitors required margin levels daily and, pursuant to such guidelines, requires the customer to deposit additional collateral or to reduce positions when necessary.

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**NOTE 3. NET CAPITAL REQUIREMENTS**

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As a registered broker-dealer, the Company is subject to the Uniform Net Capital Rule of the Securities and Exchange Commission, which requires that "Net Capital", as defined, shall be at least the greater of \$250,000 or one-fifteenth of "Aggregate Indebtedness", as defined. At December 31, 2017, the Company's "Net Capital" was \$7,831,449 which exceeded the requirements by \$7,581,449 and the ratio of "Aggregate Indebtedness" to "Net Capital" was 0.19 to 1.

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**NOTE 4. PROPERTY AND EQUIPMENT**

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Property and equipment at December 31, 2017 consisted of the following:

Furniture and fixtures	\$ 118,982
Leasehold improvements	644,728
Office equipment	503,978
	<hr/> 1,267,688
Less: accumulated depreciation and amortization	(903,331)
	<hr/> \$ 364,357

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**NOTE 5. RELATED PARTY TRANSACTIONS**

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***Beta Capital Management, LLC***

During 2017, the Company provided certain services to Beta Capital Management, LLC (BCM). Additionally, during 2017, certain Company employees provided services to BCM. At December 31, 2017, \$556,466 is due from BCM. BCM is related by common ownership.

***Credit Andorra US GP, LLC***

During 2017, USGP, rented office furniture to the Company.

***Banco Credit Andorra Panama***

In 2015, Banco Credit Andorra Panama, an affiliated Panamanian bank made loans to two employees of the Company totaling \$700,000. On a monthly basis, the Company withholds funds from the commissions earned by these employees, and remits it to Banco Credit Andorra Panama. At December 31, 2017, the Company had a balance due to Banco Credit Andorra Panama of \$5,500. In connection with the bank loans, the Company has entered into a retention bonus agreement with the two employees whereby the Company will pay the final \$150,000 of the loans if the two employees complete seven years of employment with the Company for the period of April 15, 2015 to April 15, 2022. At December 31, 2017, the Company has accrued \$58,938 for the retention bonus, which is included in accounts payable and accrued liabilities in the accompanying statement of financial condition.

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**NOTE 6. COMMITMENTS AND CONTINGENCIES**

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***Lease Commitments***

The Company is obligated under non-cancelable operating leases for office space and equipment, and quotation and research service contracts.

The approximate future minimum payments under non-cancelable operating leases and service contracts for the years subsequent to December 31, 2017 are as follows:

2018	517,000
2019	434,000
2020	381,000
2021	392,000
2022	404,000
Thereafter	845,000
	<hr/>
	\$ 2,973,000

***Legal and Regulatory***

During the normal course of operations, the Company, from time to time, may be involved in lawsuits, arbitration, claims, and other legal or regulatory proceedings. The Company does not believe that these matters will have a material adverse effect on the Company's financial position.

# BETA CAPITAL SECURITIES, LLC

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## STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2017

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Mail Processing  
Section  
MAR 01 2018  
Washington DC  
408