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# ANNUAL AUDITED REPORT FORM X-17A-5

SEC Mail Processing PART III

FACING PAGE

Information required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder  
Washington, DC

SEC FILE NUMBER  
8-21205

REPORT FOR THE PERIOD BEGINNING 1/1/19 AND ENDING 12/31/19  
mm/dd/yy mm/dd/yy

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Casey Securities, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY  
FIRM I.D. NO.

One Montgomery Street, Suite 200  
(No. and Street)

San Francisco California 94104  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Michael Hewitt, FINOP 212-715-8753  
(Area Code - Telephone Number)

## B. ACCOUNTANT IDENTIFICATION

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

Ryan & Juraska LLP  
(Name - if individual, state last, first, middle name)

141 W Jackson Blvd. Suite 2250 Chicago Illinois 60604  
(Address) (City) (State) (Zip Code)

### CHECK ONE:

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

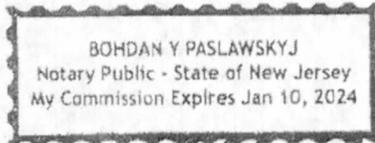
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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

## OATH OR AFFIRMATION

I, **Anish Vora**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Casey Securities, LLC**, as of **December 31, 2019**, 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



*Bohdan Y Paslawskyj*  
Notary Public

*[Handwritten Signature]*  
Signature

Chief Executive Officer  
Title

2/28/20



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 15c3-3 Exemption 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).



**RYAN & JURASKA LLP**  
Certified Public Accountants

141 West Jackson Boulevard  
Chicago, Illinois 60604

Tel: 312.922.0062

Fax: 312.922.0672

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Member  
of Casey Securities, LLC

### **Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of Casey Securities, LLC (the "Company") as of December 31, 2019, the related statements of operations, changes in member's equity, and cash flows for the year then ended, and the related notes and supplemental information (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of Casey Securities, LLC as of December 31, 2019, 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 of America.

### **Basis for Opinion**

These financial statements are the responsibility of Casey Securities, LLC's management. Our responsibility is to express an opinion on the Company's financial statements 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 Casey 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 have served as Casey Securities, LLC's auditor since 2017.

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 statements are 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 statements, 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 statements. 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 statements. We believe that our audit provides a reasonable basis for our opinion.

### **Supplemental Information**

The Supplemental Information (the "supplemental information") has been subjected to audit procedures performed in conjunction with the audit of Casey Securities, LLC's financial statements. The supplemental information is the responsibility of Casey 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 is fairly stated, in all material respects, in relation to the financial statements as a whole.

*Ryan & Juraska LLP*

Chicago, Illinois  
February 28, 2020

# Casey Securities, LLC

## Statement of Financial Condition

December 31, 2019

<b>Assets</b>	
Cash	\$ 204,609
Deposits with clearing broker	103,158
Commissions receivable, net of \$30,000 allowance	1,006,434
Fixed assets net of \$19,819 depreciation	29,378
Right of use Asset	681,328
Due from Affiliate	46,899
Prepaid expenses and other assets	202,017
<b>Total Assets</b>	<b>\$ 2,273,823</b>
<hr/>	
<b>Liabilities and Member's Equity</b>	
<b>Liabilities</b>	
Due to Affiliates	\$ 23,979
Accounts payable	144,541
Accrued expenses	117,831
Lease liability	699,034
<b>Total Liabilities</b>	<b>\$ 985,385</b>
<b>Member's Equity</b>	<b>1,288,438</b>
<b>Total Liabilities and Member's Equity</b>	<b>\$ 2,273,823</b>

See accompanying notes.

# Casey Securities, LLC

## Notes to Financial Statements

December 31, 2019

### 1. Organization

Casey Securities, LLC (the "Company") was formed as a limited liability company on June 30, 2004; the Company succeeded the business and approvals of Casey Securities, Inc on September 24<sup>th</sup>, 2004. Casey Securities, Inc had been a NYSE-ARCA and SEC approved broker dealer since 1976. The Company is registered as a broker-dealer with the Securities and Exchange Commission pursuant to Section 15c of the Securities Exchange Act of 1934 and continues to be a member of the NYSE-ARCA with OTP approval. The Company's primary business is to provide options floor brokerage services to its institutional customers. Effective January 1, 2017, the Company became a wholly owned subsidiary of FCF Group Intermediate Holdings, LLC.

### 2. Significant Accounting Policies

#### **Basis of Accounting**

The financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States.

#### **Accounts Receivable**

The Company's receivables are due from various institutional companies, including broker dealers, under contractual agreements. Management reviews accounts receivable based on an analysis of each customer and establishes an allowance where collectability of all or part of a receivable becomes impaired.

#### **Revenue Recognition**

The Company recognizes revenue in accordance with Financial Accounting Standards Board Accounting Standards Codification ("FASB ASC") Topic 606, Revenue from Contracts with Customers effective in 2018. The recognition and measurement of revenue is based on assessment of individual contract terms. Significant judgement is required to determine whether performance obligations are satisfied at a point in time or over time.

The Company provides brokerage execution services to various customers whereby a customer requests the Company to transact or execute the purchase or sale of a specific listed option as instructed by the customer. The Company invoices these customers monthly for the various services in which the Company has purchased and sold pursuant to the customer requests. The Company believes that the performance obligation is met on the trade date of the trade execution as there are no further performance obligations once the transactions are executed by the Company.

#### **Exchange Rebates**

Rebates are received for QCC options trades executed on the NYSE-ARCA and are credited by the Exchange on a monthly basis.

#### **Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, ("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 and may have an impact on future periods.

# Casey Securities, LLC

## Notes to Financial Statements

December 31, 2019

### 2. Significant Accounting Policies (continued)

#### Fair Value of Financial Instruments

ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions that market participants would use in pricing the asset or liability. The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.

At December 31, 2019, the Company held no Level 1, Level 2 or Level 3 investments.

#### Depreciation

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets of five years for furniture, equipment and capitalized software.

#### Income Taxes

The Company, a limited liability company, is taxed as a partnership under the Internal Revenue Code and a similar state statute. In lieu of income taxes, the Company passes 100% of its taxable income and expenses to its direct owner/ sole member, FCF Group Intermediate Holdings, LLC, which subsequently passes 100% of its taxable income and expenses to the ultimate holding company, FCF Group Holdings, LLC. Therefore, no provision or liability for federal or state income taxes is included in these financial statements. The Company is no longer subject to examinations by major tax jurisdictions for years before 2016.

# Casey Securities, LLC

## Notes to Financial Statements

December 31, 2019

### 2. Significant Accounting Policies (continued)

#### Accounting for Leases

In February 2016, FASB amended the guidance on accounting for leases. The new guidance required leases to recognize right-of-use (ROU) assets and lease liabilities on the balance sheet for the rights and obligations created by the qualifying leases. The recognition, measurement and presentation of the expenses and cash flows arising from a lease by a lessee remains substantially unchanged and depends on classification as a finance or operating lease. The Company adopted the new guidance during 2019 and elected to use the effective date as the date of initial application. As such, restated financial information and the additional disclosures required under the new standard will not be provided for the periods presented. The new guidance also requires quantitative and qualitative disclosures that provide information about the amounts related to leasing arrangements recorded in the financial statements. For further information, see Note 9 – Lease Commitment. The Company elected to apply the “package of practical expedients,” which permits it to not reassess prior conclusions on existing leases regarding lease indemnification, lease classification and initial direct costs.

At adoption, the Company recognized lease liabilities of \$743,520, representing the present value of the remaining fixed lease payments based on the incremental borrowing rates as of December 31, 2018. Changes in lease liabilities are based on current period interest expense and cash payments. The Company also recognized ROU assets of \$727,965 at adoption, which represents the measurement of the lease liabilities, initial direct costs incurred by the Company and lease incentives received.

# Casey Securities, LLC

## Notes to Financial Statements

December 31, 2019

### 3. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission's uniform net capital rule (Rule 15c3-1). This rule requires the Company to maintain a minimum net capital equal to the greater of 6-2/3% of aggregate indebtedness or \$5,000. Further, the rule requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. At December 31, 2019, the Company's net capital was \$420,940 which was \$400,670 in excess of the required net capital of \$20,270. The Company's aggregated indebtedness to net capital ratio was .722 at December 31, 2019.

### 4. Risk Concentration

The Company's cash consists of cash held at a financial institution where it may, at times, exceed government insurance limits during the year. At December 31, 2019 the Company did not have any uninsured cash balances.

### 5. Deposit with Clearing Organization

The Company's clearing organization, Wedbush Securities, Inc ("Clearing firm"), requires that it maintain at least \$100,000 in deposits.

### 6. Financial Instruments with Off-Balance-Sheet Credit Risk

As a securities floor broker, the Company acts in an agency only capacity for counterparties such as broker dealers, banks and other financial institutions. The Company does not commit capital or otherwise engage in proprietary trading activities. The Company maintains a fully disclosed clearing agreement with Clearing firm. The agreement between the Company and Clearing firm provides that the Company is obligated to assume any exposure related to nonperformance by its customers. These activities may expose the Company to off-balance-sheet risk in the event the customer is unable to fulfill its contracted obligations. In the event the customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at the prevailing market price in order to fulfill the customer's obligation. The Company seeks to control off-the-balance-sheet credit risk by monitoring its customer transaction and reviewing information it receives from its clearing broker on a daily basis and reserving for doubtful accounts when necessary.

### 7. Occupancy

Occupancy expenses are for costs related to maintaining trading position on the floor of the NYSE-ARCA, as well as costs related to the Company's off floor offices.

### 8. Related Party Transactions

Effective January 1, 2019, The Company maintains an expense sharing agreement with its affiliates under common control ((FOG Equities, LLC ("FOG"), RFA Securities LLC ("RFA"), and FCF Group Holdings, LLC ("FCF")).



February 28, 2020

**SEA 15c3-3 Exemption Report**

I, Anish Vora, Chief Executive Officer of Casey Securities, LLC (the "Company"), represent the following:

1. The Company claims the k(2)(ii) 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, 2019 without exception; and
3. There were no exceptions during the most recent fiscal year in meeting the identified exemption provisions in SEA §240.15c3-3(k).

Respectfully submitted,

Anish Vora

Chief Executive Officer