



23003243

OMB APPROVAL
OMB Number: 3235-0123
Expires: Oct. 31, 2023
Estimated average burden hours per response: 12

**ANNUAL REPORTS SEC Mail Processing**  
**FORM X-17A-5**  
**PART III**

8-69578
AUG 30 2023

FACING PAGE

Washington, DC

Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 07/01/2022 AND ENDING 06/30/2023  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF FIRM: YR Securities, LLC

TYPE OF REGISTRANT (check all applicable boxes):

- Broker-dealer     Security-based swap dealer     Major security-based swap participant  
 Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

309 W Bute Street

(No. and Street)

Norfolk

Virginia

23510

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

William T Roach

757-961-0067 X 103

bill@yrsecurities.com

(Name)

(Area Code – Telephone Number)

(Email Address)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing\*

Meadows Urquhart Acree & Cook, LLP

(Name – if individual, state last, first, and middle name)

1802 Bayberry Court, Suite 102 Henrico

Virginia 23226

(Address)

(City)

(State)

(Zip Code)

09/29/2009

3688

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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\* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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RMS

OATH OR AFFIRMATION

I, William T Roach, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of YR Securities, LLC, as of 6/30, 2023, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.

[Handwritten signature of Notary Public]



Signature: [Handwritten signature]
Title: Owner/Principal

This filing\*\* contains (check all applicable boxes)

- (a) Statement of financial condition.
(b) Notes to consolidated statement of financial condition.
(c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income...
(d) Statement of cash flows.
(e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
(f) Statement of changes in liabilities subordinated to claims of creditors.
(g) Notes to consolidated financial statements.
(h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
(i) Computation of tangible net worth under 17 CFR 240.18a-2.
(j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
(k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
(l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
(m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
(n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
(o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
(p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
(q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
(r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(t) Independent public accountant's report based on an examination of the statement of financial condition.
(u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
(v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
(x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
(y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
(z) Other:

\*\*To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

**YR Securities, LLC**

**Financial Statements**

**June 30, 2023**

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**Meadows Urquhart Acree & Cook, LLP**  
Certified Public Accountants

- Kelli P. Meadows
- Douglas A. Urquhart
- David C. Acree
- Shannon W. Cook

## Report of Independent Registered Public Accounting Firm

To the Members  
of YR Securities, LLC

### Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of YR Securities, LLC as of June 30, 2023, the related statements of operations, changes in members' equity, and cash flows for the year then ended, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of YR Securities, LLC as of June 30, 2023, 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 YR Securities, LLC's management. Our responsibility is to express an opinion on YR Securities, LLC'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 YR 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 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 Computation of Net Capital and Aggregate Indebtedness and the Statements Regarding SEC Rule 15(c)3-3 have been subjected to audit procedures performed in conjunction with the audit of YR Securities, LLC's financial statements. The supplemental information is the responsibility of YR 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.

We have served as YR Securities, LLC's auditor since 2019.  
Henrico, Virginia  
August 25, 2023

YR Securities, LLC

Statement of Financial Condition

June 30, 2023

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<b>Assets</b>	
Cash	\$ 30,382
Commissions receivable	21,601
Prepaid assets	<u>3,138</u>
<b>Total current assets</b>	55,121
Fixed assets, net	774
Intangible asset, net	<u>45,000</u>
<b>Total Assets</b>	<u><u>\$ 100,895</u></u>
<b>Liabilities and Member's Equity</b>	
<b>Liabilities</b>	
Accrued expenses	<u>\$ 20,352</u>
<b>Total current liabilities</b>	20,352
<b>Members' equity</b>	<u>80,543</u>
<b>Total liabilities and member's equity</b>	<u><u>\$ 100,895</u></u>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

**YR Securities, LLC**

**Statement of Operations  
Year Ended June 30, 2023**

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<b>Revenues</b>	
Commission income	\$ 14,196
Trail income	170,741
<b>Total revenues</b>	<u>184,937</u>
<b>Operating Expenses</b>	
Payroll	118,569
Professional fees	30,900
Technology, data and communication	22,051
Insurance	14,339
Occupancy and equipment	6,000
Amortization	5,000
Regulatory fees	4,832
Other	4,659
Travel and entertainment	812
Depreciation	800
<b>Total operating expenses</b>	<u>207,962</u>
<b>Net loss</b>	<u>\$ (23,025)</u>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

**YR Securities, LLC**

**Statement of Changes in Member's Equity  
Year Ended June 30, 2023**

	Total
<b>Balance as of July 1, 2022</b>	\$ 103,568
Net loss	(23,025)
<b>Balance as of June 30, 2023</b>	<u>\$ 80,543</u>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

**YR Securities, LLC**

**Statement of Cash Flows**  
**Year Ended June 30, 2023**

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Cash Flows From Operating Activities	
Net loss	\$ (23,025)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	800
Amortization	5,000
Decrease (increase) in assets:	
Commissions receivable	(8,078)
Prepaid assets	1,512
Increase in liabilities:	
Accrued expenses	2,617
	<hr/>
<b>Net cash used in operating activities</b>	<b>(21,174)</b>
	<hr/>
<b>Net change in cash</b>	<b>(21,174)</b>
Cash, beginning of year	51,556
	<hr/>
Cash, end of year	<b>\$ 30,382</b>
	<hr/>

See Accompanying Notes to Financial Statements and Independent Auditor's Report.

**Notes to Financial Statements**

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**Note 1—Nature of Business and Summary of Significant Accounting Policies**

Nature of business: YR Securities, LLC (the Firm) is currently organized as an LLC Virginia partnership. As of September 23, 2015, the Firm became a registered broker/dealer with the Financial Industry Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC). The Firm is a limited-service financial firm headquartered in Norfolk, Virginia. The Firm engages in application way business with various mutual funds and insurance companies. Revenue is earned through commissions on transactions and fee trails based on a percentage of account values held with its customers. The majority of the Firm's customers are located in the southeastern United States.

**Note 2—Accounting and Reporting Principles**

A summary of the Firm's significant accounting policies is as follows:

Basis of accounting: The accounting and reporting policies of the Firm are on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Use of Estimates: The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue: Revenue consists of commission income and trail income. The Firm recognizes revenue from contracts with customers according to a five-step revenue recognition model: (1) identify the contract(s) with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation. The Firm's contracts and customers generally contain a single performance obligation or separately identified performance obligations, each with a stated transaction price and generally do not involve a significant timing difference between satisfaction of the performance obligation and customer payment. Revenues are recognized over time or at a point in time as the performance obligations are satisfied. Recognition of these revenue does not involve significant estimates or constraints.

Commission income is recognized when a performance obligation is satisfied at a point in time. Commission income is recognized on a trade date basis. Trail income which is associated with annuity investments is recognized over time, as earned. Trail income is generally based on a percentage of the annuity premium or the account value of the investment. These revenues are shown disaggregated on the statement of operations.

Commission Receivable: Commission receivables represent principal transactions which have not yet been settled.

The Firm recognizes an allowance for credit losses in accordance with Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses* Accounting Standards Codification (ASC) 326. ASC 326 requires immediate recognition of expected credit losses for certain financial assets and off-balance sheet commitments, including trade and other receivables, loans and commitments and other financial assets held at amortized cost at the reporting date, to be measured based on historical experience, current conditions, and reasonable and supportable forecasts. The Firm determined there were no credit losses to recognize as of June 30, 2023.

## Notes to Financial Statements

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### Note 2—Accounting and Reporting Principles (continued)

Fixed Assets, Net: Fixed assets, net consists of computer equipment stated at cost net of accumulated depreciation. Depreciation is determined on the straight-line method. Estimated useful lives for the purposes of depreciation are five years. Depreciation expense for the year ended June 30, 2023 was \$800.

Income Taxes: The Firm is organized as an LLC, treated as a partnership for tax purposes and is not subject to income taxes in any jurisdiction. Each partner is responsible for the tax liability, if any, related to its proportionate share of the Partnership's taxable income. Accordingly, no provision for income taxes is reflected in the accompanying financial statements.

ASC 740, *Income Taxes*, prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Firm's management has evaluated the impact of this guidance to its financial statements. The Firm's income tax returns are subject to examination by taxing authorities, generally for a period of three years from the date the returns are filed. The Firm's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

### Note 3—Concentrations of Credit Risk

The Firm is engaged in various trading and brokerage activities in which counterparties primarily include broker/dealers, banks and other financial institutions. In the event counterparties do not fulfill their obligations, the Firm may be exposed to risk. The risk of default depends on the credit worthiness of the counterparty or issuer of the instrument. It is the Firm's policy to review, as necessary, the credit standing of each counterparty.

### Note 4—Liabilities Subordinate to Claims of General Creditors

The Firm has no subordination agreements.

### Note 5—Transactions with Related Parties

The Firm pays rent expense to 309WBS LLC (309WBS), who owns the office building the Firm operates from on a month-to-month basis. 309WBS is a related party through common ownership. The Firm's total rent expense paid under this lease for the year ended June 30, 2023, was \$6,000.

The Firm owed WWI, LLC, a related party through common ownership, \$1,120 as of June 30, 2023 which is included in accrued expenses on the accompanying balance sheet.

### Note 6—Intangible Assets

During the year ended June 30, 2018, the Firm purchased a customer list including Assets Under Management for \$75,000. The customer list does not have specific contract terms. As of June 30, 2023, management does not believe there are any current facts or circumstances indicating impairment of the asset. Based on industry experience management has estimated a 15-year useful life for the customer list. A total amortization expense of \$5,000 was recorded as an operating expense in the Firm's statement of operations for the year ended June 30, 2023. Accumulated amortization as of June 30, 2023 was \$30,000.

**Notes to Financial Statements**

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**Note 7—Net Capital Requirements**

The firm is subject to the SEC Uniform Net Capital Rule (Rule15c3-1) ("Rule"), which requires the maintenance of minimum net capital and that the ratio of aggregated indebtedness to net capital as defined by the Rule, shall not exceed 15 to 1. The rule also provides that equity capital may not be withdrawn, or cash distributions paid if the resulting net capital ratio would exceed 10 to 1.

On June 30, 2023, the Firm had net capital, as defined, of \$18,294, which was \$13,294 in excess of its required net capital of \$5,000. The Firm's aggregate indebtedness to net capital ratio was 1.11 to 1.00 on June 30, 2023.

**Note 8—Subsequent Events**

The Firm has evaluated subsequent events to the balance sheet date for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued, which was August xx, 2023.

**SUPPLEMENTAL INFORMATION**

**YR Securities, LLC**

**Schedule I - Computation of Net Capital Under Rule 15c3-1 of the  
Securities Exchange Act of 1934  
Year Ended June 30, 2023**

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**NET CAPITAL**

Member's equity	\$ 80,543
Nonallowable assets	
Commissions receivable	13,337
Fixed assets, net	774
Other assets	48,138
Total nonallowable assets	<u>62,249</u>
Net capital before haircuts on security positions	18,294
Haircuts on securities	-
<b>Net capital</b>	<u><u>\$ 18,294</u></u>

**AGGREGATE INDEBTEDNESS**

Accounts payable and accrued expenses	<u><u>\$ 20,352</u></u>
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**COMPUTATION OF BASIC NET CAPITAL REQUIREMENTS**

Minimum net capital required (the greater of \$5,000 or 6 2/3% of aggregate indebtedness)	<u><u>\$ 5,000</u></u>
Excess net capital	<u><u>\$ 13,294</u></u>
Percentage of aggregate indebtedness to net capital	<u><u>111.25%</u></u>

There are no material differences between the computation of net capital presented above and the computation of net capital in the Company's unaudited Form X-17A-5, Part II-A filing as of June 30, 2023.

**YR Securities, LLC**

**Supplemental Information  
Schedule II and III**

**For the Year Ended June 30, 2023**

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**Computation for Determination of the Reserve Requirement Under Rule 15C3-3 of the SEC (Exemption):**

YR Securities, LLC is a limited broker dealer, exclusively dealing in the purchase, sale and redemption of the mutual funds, variable annuities, and variable insurance products and is exempt from SEC Rule 15c3-3. All funds received in connection with the activity of the Firm are promptly transmitted and are not held in the custody of the Firm.

**Information Related to the Possession or Control Requirements Under Rule 15c3-3 of the SEC (Exemption):**

YR Securities, LLC is a limited broker dealer, exclusively dealing in the purchase, sale, and redemption of the mutual funds, variable annuities, and variable insurance products and is exempt from SEC Rule 15c3-3. All funds received in connection with the activity of the firm are promptly transmitted and are not held in the custody of the Firm.



**Meadows Urquhart Acree & Cook, LLP**  
Certified Public Accountants

- Kelli P. Meadows
- Douglas A. Urquhart
- David C. Acree
- Shannon W. Cook

## Report of Independent Registered Public Accounting Firm

To the Members'  
of YR Securities, LLC

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report pursuant to SEC Rule 17a-5, in which (1) YR Securities, LLC (the Firm) did not claim an exemption under paragraph (k) of 17 C.F.R. §240.15c3-3, and (2) the Firm is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Firm limits its business activities exclusively to application way business with various mutual funds and insurance companies. In addition, the Firm did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Firm; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

The Firm'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 the Firm'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 upon the Firm's business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, and related SEC Staff Frequently Asked Questions.

*Meadows Urquhart Acree + Cook LLP*

Henrico, Virginia  
August 25, 2023

**YR Securities, LLC's Exemption Report**

YR Securities, LLC (the Firm) 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 Exemption Report was prepared as required by 17 C.F.R. § 240.17a-5(d)(1) and (4). To the best of its knowledge and belief, the Firm states the following:

- 1) The Firm does not claim an exemption under paragraph (k) of 17 C.F.R. § 240.15c3-3, and
- 2) The Firm is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Firm limits its business activities exclusively to application way business with various mutual funds and insurance companies. In addition, the Firm did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Firm; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

YR Securities, LLC

I, William T. Roach, swear or affirm that, to my best knowledge and belief, this Exemption Report is true and correct.

By: W-T-R

Title: Principal

August 25, 2023