

INCENTRUM SECURITIES, LLC

AUDITED STATEMENT OF FINANCIAL CONDITION

SEC FILE NO 288831

NOVEMBER 30, 2024

AND

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM




## OATH OR AFFIRMATION

I, Nils Krahe, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of INCENTRUM SECURITIES, LLC, as of November 30, 2024, 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.

CYNTHIA GREENE  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 01GR6445374  
Qualified in New York County  
My Commission Expires 12-19-2026

Cynthia Greene 12/1/25  
Notary Public

Signature: 

Title: Chief Compliance Officer

### 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 (as defined in § 210.1-02 of Regulation S-X).
- (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.

INCENTRUM SECURITIES, LLC

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ASSURANCE DIMENSIONS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Member of  
**Incentrum Securities LLC:**

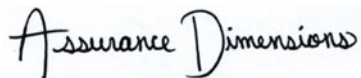
**Opinion on the Financial Statements**

We have audited the accompanying statement of financial condition of **Incentrum Securities LLC** as of November 30, 2024, 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 **Incentrum Securities LLC** as of November 30, 2024 in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

These financial statements are the responsibility of **Incentrum Securities LLC's** management. Our responsibility is to express an opinion on **Incentrum 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 **Incentrum Securities LLC** in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission (“SEC”) 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.



We have served as **Incentrum Securities LLC's** auditor since 2023.

Assurance Dimensions  
Coral Springs, Florida  
January 27, 2025

**ASSURANCE DIMENSIONS, LLC**

also d/b/a **McNAMARA and ASSOCIATES, LLC**

**TAMPA BAY:** 4920 W Cypress Street, Suite 102 | Tampa, FL 33607 | Office: 813.443.5048 | Fax: 813.443.5053

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[www.assurancedimensions.com](http://www.assurancedimensions.com)

“Assurance Dimensions” is the brand name under which Assurance Dimensions, LLC including its subsidiary McNamara and Associates, LLC (referred together as “AD LLC”) and AD Advisors, LLC (“AD Advisors”), provide professional services. AD LLC and AD Advisors practice as an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable laws, regulations, and professional standards. AD LLC is a licensed independent CPA firm that provides attest services to its clients, and AD Advisors provide tax and business consulting services to their clients. AD Advisors, and its subsidiary entities are not licensed CPA firms.

INCENTRUM SECURITIES, LLC  
STATEMENT OF FINANCIAL CONDITION  
NOVEMBER 30, 2024  
(CONFIDENTIAL PURSUANT TO RULE 17a-5(c)(3))

ASSETS

Cash	\$ 111,534
Accounts receivable, net of provision for credit losses of \$1,388,930	-
Other assets	<u>6,209</u>
Total assets	<u>\$ 117,743</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities	
Due to an affiliate	\$ 33,473
Accrued expenses and other liabilities	<u>26,500</u>
Total liabilities	<u>59,973</u>
Members' equity	<u>57,770</u>
Total liabilities and members' equity	<u>\$ 117,743</u>

These financial statements and schedules are deemed confidential pursuant to subparagraph (e)(3) of Rule 17a-5 of the Securities Exchange Commission.  
See accompanying notes to statement of financial condition.

INCENTRUM SECURITIES, LLC  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
NOVEMBER 30, 2024  
(CONFIDENTIAL PURSUANT TO RULE 17A-5(C)(3))

**NOTE 1: NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Incentrum Securities, LLC (the "Company") is a securities broker-dealer registered with the U.S. Securities and Exchange Commission (the "SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company is a limited liability company organized under the laws of the State of Delaware on February 16, 2017 and became a registered broker dealer and commenced operations on October 20, 2017. The principal member of the Company is Incentrum Group (CI), L.P. (the "Member/Parent"), a Cayman Island exempted limited partnership.

The principal business of the Company is merger and acquisition advisory services, fairness and valuation opinions and private placements of securities. The Company does not have any trading accounts, nor does it hold cash or securities for or on behalf of any customer or clients.

**Basis of Presentation and Use of Estimates**

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in the U.S ("GAAP") as determined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). 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 and disclosure of contingent 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.

**Recently Adopted Accounting Standards**

Accounting standards promulgated by the Financial Accounting Standards Board ("FASB") are subject to change. Changes in such standards may have an impact on the Company's future financial statements. The Company periodically reviews new accounting standards that are issued. Although some of these accounting standards may be applicable to the Company, the Company has not identified any new standards, that it believes merit further discussion as the Company expects that none would have a significant impact on its financial statements.

**Cash**

The Company maintains cash in bank accounts which, at times, may exceed federally insured limits. The Company is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf.

INCENTRUM SECURITIES, LLC  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
NOVEMBER 30, 2024  
(CONFIDENTIAL PURSUANT TO RULE 17A-5(C)(3))

**NOTE 1: NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Accounts Receivable and Allowance for Credit Losses**

The Company accounts for credit losses in accordance with ASC Topic 326, Financial Instruments – Credit Losses ("ASC Topic 326"). ASC Topic 326 impacts the impairment model for certain financial assets measured at amortized cost by requiring a current expected credit loss ("CECL") methodology to estimate expected credit losses over the entire life of the financial asset, recorded at inception or purchase. The Company has the ability to determine there are no expected credit losses in certain circumstances. The allowance for credit losses is based on the Company's expectation of the collectability of financial instruments carried at amortized cost, including other assets utilizing the CECL framework. The Company considers factors such as historical experience, credit quality, age of balances and current and future economic conditions that may affect the Company's expectation of the collectability in determining the allowance for credit losses. The Company's expectation is that the credit risk associated with other assets is not significant until they are 90 days past due based on the contractual arrangement and expectation of collection in accordance with industry standards.

Based on management's review of accounts receivable, an allowance for credit losses amounting to \$1,388,930 is considered necessary at November 30, 2024. The customer has been formally taken over by liquidators. The Company has submitted a proof of claim establishing the debt with the liquidators. The Company does not expect the debt to be recovered, based on information received from the liquidators.

**Revenue Recognition**

Consulting Fees: Upon commencement of operations, the Company adopted, the Financial Accounting Standards Board (FASB), ASU 2014-09, Revenue from Contracts with Customers (Topic 606), requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard replaced most existing revenue recognition guidance in accounting principles generally accepted in the United States of America (US GAAP) and permitted the use of either a full retrospective or retrospective with cumulative effect transition method. This guidance did not have a material impact on its financial or regulatory capital. The Company provides advisory services on mergers and acquisitions (M&A). Revenue for advisory arrangements is generally recognized at the point in time that performance under the arrangement is completed (the closing date of the transaction) or the contract is cancelled.

The Company does not carry accounts for customers or perform custodial functions related to securities.

INCENTRUM SECURITIES, LLC  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
NOVEMBER 30, 2024  
(CONFIDENTIAL PURSUANT TO RULE 17A-5(C)(3))

**NOTE 1: NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Income Taxes**

The Company is a single member limited liability company, which is a disregarded entity for federal and state income tax purposes, and is not subject to taxes on its income. The Parent files a consolidated tax return including the operations of the Company. The Parent has elected to be treated as a limited liability company for federal and state income tax purposes and as such, there is no provision for federal and state income taxes as the net income or loss of the Company is included on the tax return of the members of the Parent. The Company's Parent is subject to New York City Unincorporated Business Tax ("NYC UBT").

In accordance with GAAP, the Company's Parent is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. De-recognition of a tax benefit previously recognized could result in the Company recording a tax liability that would reduce member's equity. At November 30, 2024, management has determined that the Company had no uncertain tax positions that would require financial statement recognition. Management's conclusions regarding this policy may be subject to review and adjustment at a later date based on factors including, but not limited to on-going analysis of and changes to tax laws, regulations and interpretations thereof.

The Company's Parent files its income tax returns in the U.S. federal and various state and local jurisdictions. Any potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with the U.S. federal, state and local tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

**Fair Value Measurement of Financial Assets and Liabilities**

In accordance with ASC Topic 820, Fair Value Measurement, the fair value estimates are measured within the fair value hierarchy. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under applicable guidance are described below:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
  
- Level 2 - Quoted prices in markets that are not active, or inputs that are observable either directly or indirectly, for substantially the full term of the asset or liability;

INCENTRUM SECURITIES, LLC  
NOTES TO STATEMENT OF FINANCIAL CONDITION  
NOVEMBER 30, 2024  
(CONFIDENTIAL PURSUANT TO RULE 17A-5(C)(3))

**NOTE 1: NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

- Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

At November 30, 2024, the carrying value of the Company's financial instruments, such as cash, accounts receivable, due to an affiliate, and accrued expenses and other liabilities approximate their fair values due to the nature of their short-term maturities.

**NOTE 2: RELATED PARTY TRANSACTIONS**

Pursuant to an expense sharing agreement (the "Agreement") with a subsidiary of the Parent, the Company recognizes certain expenses based on the terms and conditions per the Agreement. These expenses amounted to \$194,281 for the year ended November 30, 2024, and there was \$33,473 due to the subsidiary of the Parent, at November 30, 2024.

**NOTE 3: REGULATORY REQUIREMENTS**

As a registered broker-dealer, the Company is subject to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital shall not exceed fifteen times net capital, as defined by the Rule. At November 30, 2024, the Company had net capital of \$51,561, which exceeded requirements by \$46,561. The ratio of aggregate indebtedness to net capital was 1.16 to 1.

**NOTE 4: SUBSEQUENT EVENTS**

The Company has evaluated events and transactions occurring subsequent to November 30, 2024, for items that should potentially be recognized or disclosed in these Financial Statements. The evaluation was conducted through January 27, 2025, the date these Financial Statements were available to be issued.