

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

AMENDED

FORM
X-17A-5

FOCUS REPORT
(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)
PART II ☐ 11

(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) ☒ 16

2) Rule 17a-5(b) ☐ 17

3) Rule 17a-11 ☐ 18

4) Special request by designated examining authority ☐ 19

5) Other ☐ 26

NAME OF BROKER-DEALER

WEDBUSH SECURITIES INC. ☐ 13

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

1000 WILSHIRE BLVD. SUITE 900, ATTN: BUSINESS CONDUCT ☐ 20
(No. and Street)

LOS ANGELES ☐ 21 CA ☐ 22 90017-2457 ☐ 23
(City) (State) (Zip Code)

SEC. FILE NO.

8-12987 ☐ 14

FIRM ID NO.

877 ☐ 15

FOR PERIOD BEGINNING (MM/DD/YY)

01/01/14 ☐ 24

AND ENDING (MM/DD/YY)

03/31/14 ☐ 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

SHAWN KEAGY - EVP / CFO ☐ 30

(213) 688-4516 ☐ 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

☐ 32
☐ 34
☐ 36
☐ 38

☐ 33
☐ 35
☐ 37
☐ 39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ? YES ☒ 40 NO ☐ 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT ☐ 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 11th day of September 20 14

Manual Signatures of:

- 1) Edward Wedbush
Principal Executive Officer or Managing Partner Edward Wedbush
- 2) Shawn Keagy
Principal Financial Officer or Partner
- 3) Shawn Keagy
Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f (a))

FINRA

PART II

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STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 03/31/14 99

SEC FILE NO. 8-12987 98

Consolidated 198

Unconsolidated	X	199
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	ASSETS			
	Allowable		Nonallowable	Total
1. Cash	\$ 12,001,506	200		\$ 12,001,506 750
2. Cash segregated in compliance with federal and other regulations	60,758,666	210		60,758,666 760
3. Receivable from brokers or dealers and clearing organizations:				
A. Failed to deliver:				
1. Includable in "Formula for Reserve Requirements"	6,440,181	220		
2. Other	8,029,420	230		14,469,601 770
B. Securities borrowed:				
1. Includable in "Formula for Reserve Requirements"	193,007,932	240		
2. Other	478,792,408	250		671,800,340 780
C. Omnibus accounts:				
1. Includable in "Formula for Reserve Requirements"		260		
2. Other		270		790
D. Clearing Organizations:				
1. Includable in "Formula for Reserve Requirements"	9,616,555	280		
2. Other	25,623,369	290		35,239,924 800
E. Other	393,632	300	\$ 87,810 550	481,442 810
4. Receivables from customers:				
A. Securities accounts:				
1. Cash and fully secured accounts	291,761,699	310		
2. Partly secured accounts	2,732,191	320	994,554 560	
3. Unsecured Accounts			6,467,525 570	
B. Commodity accounts		330		580
C. Allowance for doubtful accounts	(6,164,692)	335	(7,462,079) 590	288,329,198 820
5. Receivables from non-customers:				
A. Cash and fully secured accounts	158,021,518	340		
B. Partly secured and unsecured accounts		350	600	158,021,518 830
6. Securities purchased under agreements to resell	1,981,469,844	360	605	1,981,469,844 840
7. Securities and spot commodities owned, at market value:				
A. Banker's acceptances, certificates of deposit and commercial paper	100,000,000	370		
B. U.S. and Canadian government obligations	118,775,259	380		
C. State and municipal government obligations	44,296,210	390		
D. Corporate obligations	31,943,695	400		

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

as of 03/31/14

WEDBUSH SECURITIES INC.

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

	Allowable	Nonallowable	Total
E. Stocks and warrants	\$ 161,057,986	410	
F. Options	18,189,632	420	
G. Arbitrage		422	
H. Other securities		424	
I. Spot Commodities		430	
J. Total inventory - includes encumbered securities of . . . \$	120		\$ 474,262,782 850
8. Securities owned not readily marketable:			
A. At Cost \$	130	440 \$ 610	860
9. Other investments not readily marketable:			
. \$	140		
B. At estimated fair value		450	620 870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities \$	150		
B. Other \$	160	460	630 880
11. Secured demand notes - market value of collateral:			
A. Exempted securities \$	170		
B. Other \$	180	470	640 890
12. Memberships in exchanges:			
A. Owned, at market value \$	190		
B. Owned at cost			650
C. Contributed for use of company, at market value			660 900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships		480	17,511,657 670 17,511,657 910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization)		490	680 920
15. Other Assets:			
A. Dividends and interest receivable	4,096,513	500	25,101 690
B. Free shipments		510	700
C. Loans and advances		520	710
D. Miscellaneous	16,418,850	530	30,703,615 720
E. Collateral accepted under SFAS 140		536	
F. SPE Assets		537	51,244,079 930
16. TOTAL ASSETS	\$ 3,717,262,374 540	\$ 48,328,183 740	\$ 3,765,590,557 940

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART II

BROKER OR DEALER
WEDBUSH SECURITIES INC.

as of 03/31/14

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities *	Non-A.I. Liabilities *	Total
17. Bank loans payable:			
A. Includable in "Formula for Reserve Requirements"	\$ 1030	\$ 1240	\$ 1460
B. Other	1040	1250	14,000,000 1470
18. Securities sold under repurchase agreements.		1260	98,565,047 1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	7,312,471 1490
2. Other	1060	1280	6,244,164 1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		98,173,644 1510
2. Other	1080	1290	445,878,910 1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		1530
2. Other	1095	1300	1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		2,728,464 1550
2. Other	1105	1310	1,560,766 1560
E. Other	1110	1320	274,497 1570
20. Payable to customers:			
A. Securities accounts - including free credits of \$ 1,639,866,148 950	1120		2,210,409,891 1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	298,822,929 1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value - including arbitrage of \$ 960		1360	256,066,328 1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		18,379,425 1630
B. Accounts payable	1170		14,023,473 1640
C. Income taxes payable	1180		16,955 1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities ..	1190		33,019,285 1670
F. Other	1200	1380	1680
G. Obligation to return securities		1386	1686
H. SPE Liabilities		1387	1687

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*Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 03/31/14

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY (continued)

	Liabilities	A.I. Liabilities *	Non-A.I. Liabilities *	Total
24. Notes and mortgages payable:				
A. Unsecured	\$ 1210		\$ 1690	
B. Secured	1211	1390	1700	
25. Liabilities subordinated to claims of general creditors:				
A. Cash borrowings:		1400	1710	
1. from outsiders \$ 0970				
2. Includes equity subordination(15c3-1(d)) of \$ 0980				
B. Securities borrowings, at market value:		1410	1720	
from outsiders \$ 0990				
C. Pursuant to secured demand note collateral agreements:		1420	1730	
1. from outsiders \$ 1000				
2. Includes equity subordination(15c3-1(d)) of \$ 1010				
D. Exchange memberships contributed for use of company, at market value		1430	1740	
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750	
26. TOTAL LIABILITIES	\$ 1230	\$ 1450	\$ 3,505,476,249	1760
<u>Ownership Equity</u>				
27. Sole proprietorship			\$ 1770	
28. Partnership - limited partners \$ 1020			1780	
29. Corporation:				
A. Preferred stock			1791	
B. Common stock			700,000 1792	
C. Additional paid- in capital			11,055,759 1793	
D. Retained Earnings			250,080,811 1794	
E. Total			261,836,570 1795	
F. Less capital stock in treasury			(1,722,262) 1796	
30. TOTAL OWNERSHIP EQUITY			\$ 260,114,308	1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 3,765,590,557	1810

OMIT PENNIES

* Brokers or Dealers electing the alternative net capital requirement method need not complete these columns.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER
WEDBUSH SECURITIES INC.

as of 03/31/14

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	260,114,308	3480
2. Deduct: Ownership equity not allowable for Net Capital	(3490
3. Total ownership equity qualified for Net Capital		260,114,308	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital			3520
B. Other (deductions) or allowable credits (List)		6,164,692	3525
5. Total capital and allowable subordinated liabilities	\$	266,279,000	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	48,328,183	3540
1. Additional charges for customers' and non-customers' security accounts		50,558,862	3550
2. Additional charges for customers' and non-customers' commodity accounts			3560
B. Aged fail-to-deliver:		639,666	3570
1. number of items	113		3450
C. Aged short security differences-less reserve of	\$		3460
number of items			3470
D. Secured demand note deficiency			3590
E. Commodity futures contracts and spot commodities - proprietary capital charges			3600
F. Other deductions and/or charges		863,143	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x)			3615
H. Total deductions and/or charges	(100,389,854	3620
7. Other additions and/or allowable credits (List)			3630
8. Net Capital before haircuts on securities positions	\$	165,889,146	3640
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$		3660
B. Subordinated securities borrowings			3670
C. Trading and investment securities:			
1. Bankers' acceptances, certificates of deposit and commercial paper		500,000	3680
2. U.S. and Canadian government obligations		2,280,735	3690
3. State and municipal government obligations		2,747,181	3700
4. Corporate obligations		2,662,344	3710
5. Stocks and warrants		27,729,298	3720
6. Options			3730
7. Arbitrage			3732
8. Other securities			3734
D. Undue concentration		690,361	3650
E. Other (List)			3736
10. Net Capital	\$	129,279,227	3750

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

as of 03/31/14

WEDBUSH SECURITIES INC.

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A	
11. Minimal net capital required (6-2/3% of line 19)	\$ 3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$ 3758
13. Net capital requirement (greater of line 11 or 12)	\$ 3760
14. Excess net capital (line 10 less 13)	\$ 3770
15. Net capital less greater of 10% of line 19 or 120% of line 12	\$ 3780

COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$ 3790
17. Add:	
A. Drafts for immediate credit	\$ 3800
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$ 3810
C. Other unrecorded amounts (List)	\$ 3820
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts(15c3-1(c)(1)(vii))	\$ 3838
19. Total aggregate indebtedness	\$ 3840
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	% 3850
21. Percentage of aggregate indebtedness to net capital after anticipated capital withdrawals (line 19 divided by line 10 less item 4880 page 12)	% 3853

COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

Part B	
22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$ 9,626,318 3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note(A)	\$ 1,000,000 3880
24. Net capital requirement (greater of line 22 or 23)	\$ 9,626,318 3760
25. Excess net capital (line 10 less 24)	\$ 119,652,909 3910
26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8)	% 26.86 3851
27. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debits item 10 less Item 4880 page 12 divided by line 17 page 8)	% 26.86 3854
28. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$ 105,213,433 3920

OTHER RATIOS

Part C	
29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	% 0.00 3860
30. Options deductions/Net Capital ratio (1000% test) total deductions exclusive of liquidating equity under Rule 15c3-1(a)(6), (a)(7) and (c)(2)(x) divided by Net Capital	% 3852

NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
 2. 6-2/3% of aggregate indebtedness or 2% of aggregate debits if alternate method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.