

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)

10/01/13 ☐ 24

AND ENDING (MM/DD/YY)

12/31/13 ☐ 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. 78f (a))

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER WEDBUSH SECURITIES INC.	N2		100
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STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 12/31/13 99

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Consolidated ☐ 198

Unconsolidated ☒ 199

		ASSETS			
		Allowable		Nonallowable	Total
1. Cash	\$	70,198,744	200		\$ 70,198,744 750
2. Cash segregated in compliance with federal and other regulations		100,380,410	210		100,380,410 760
3. Receivable from brokers or dealers and clearing organizations:					
A. Failed to deliver:					
1. Includable in "Formula for Reserve Requirements"		3,591,953	220		
2. Other		2,271,612	230		5,863,565 770
B. Securities borrowed:					
1. Includable in "Formula for Reserve Requirements"		232,566,013	240		
2. Other		703,993,805	250		936,559,818 780
C. Omnibus accounts:					
1. Includable in "Formula for Reserve Requirements"		0	260		
2. Other		0	270		0 790
D. Clearing Organizations:					
1. Includable in "Formula for Reserve Requirements"		6,856,415	280		
2. Other		46,070,181	290		52,926,596 800
E. Other		157,137	300	\$ 89,206 550	246,343 810
4. Receivables from customers:					
A. Securities accounts:					
1. Cash and fully secured accounts		242,526,084	310		
2. Partly secured accounts		2,390,910	320	988,576 560	
3. Unsecured Accounts				6,422,969 570	
B. Commodity accounts			330		580
C. Allowance for doubtful accounts	(6,173,199	335	(7,411,545 590	238,743,795 820
5. Receivables from non-customers:					
A. Cash and fully secured accounts		202,988,692	340		
B. Partly secured and unsecured accounts			350	600	202,988,692 830
6. Securities purchased under agreements to resell		1,755,301,875	360	605	1,755,301,875 840
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		113,945,360	380		
C. State and municipal government obligations		36,239,940	390		
D. Corporate obligations		43,800,006	400		

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER	as of 12/31/13
WEDBUSH SECURITIES INC.	

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

	Allowable	Nonallowable	Total
E. Stocks and warrants	\$ 159,323,410		410
F. Options	16,734,596		420
G. Arbitrage	0		422
H. Other securities	0		424
I. Spot Commodities	0		430
J. Total inventory - includes encumbered securities of . . . \$	120		\$ 470,043,312 850
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	22,416,653 670	22,416,653 910
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	3,567,398 500	31,318 690	
B. Free shipments	510	700	
C. Loans and advances	520	710	
D. Miscellaneous	4,746,621 530	31,283,357 720	
E. Collateral accepted under SFAS 140	536		
F. SPE Assets	537		39,628,694 930
16. TOTAL ASSETS	\$ 3,841,477,963 540	\$ 53,820,534 740	\$ 3,895,298,497 940

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 12/31/13

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	\$ 0 1460
B. Other	1040	1250	0 1470
18. Securities sold under repurchase agreements.		1260	90,435,075 1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	896,975 1490
2. Other	1060	1280	1,468,385 1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		34,454,897 1510
2. Other	1080	1290	504,253,283 1520
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	1090		0 1530
2. Other	1095	1300	0 1540
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	1100		5,302,566 1550
2. Other	1105	1310	25,682,849 1560
E. Other	1110	1320	151,272 1570
20. Payable to customers:			
A. Securities accounts - including free credits of \$ 1,650,507,633 950	1120		2,173,463,323 1580
B. Commodities accounts	1130	1330	0 1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	372,251,395 1600
B. Commodities accounts	1150	1350	0 1610
22. Securities sold not yet purchased at market value - including arbitrage of \$ 960		1360	351,722,303 1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		19,245,844 1630
B. Accounts payable	1170		15,118,211 1640
C. Income taxes payable	1180		16,955 1650
D. Deferred income taxes		1370	0 1660
E. Accrued expenses and other liabilities ..	1190		36,149,871 1670
F. Other	1200	1380	
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

as of 12/31/13

WEDBUSH SECURITIES INC.

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	\$ 3,630,613,204	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			10,983,571 1793	
D. Retained Earnings			254,723,984 1794	
E. Total			266,407,555 1795	
F. Less capital stock in treasury			(1,722,262) 1796	
30. TOTAL OWNERSHIP EQUITY			\$ 264,685,293 1800	
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 3,895,298,497 1810	

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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 12/31/13

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	264,685,293	3480
2. Deduct: Ownership equity not allowable for Net Capital	(3490
3. Total ownership equity qualified for Net Capital		264,685,293	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)		6,173,199	3525
5. Total capital and allowable subordinated liabilities	\$	270,858,492	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	53,820,534	3540
1. Additional charges for customers' and non-customers' security accounts		47,937,129	3550
2. Additional charges for customers' and non-customers' commodity accounts			3560
B. Aged fail-to-deliver:		279,486	3570
1. number of items		108	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		550,409	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	(102,587,558	3620
7. Other additions and/or allowable credits (List)			3630
8. Net Capital before haircuts on securities positions	\$	168,270,934	3640
9. Haircuts on securities: (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments	\$	0	3660
B. Subordinated securities borrowings		0	3670
C. Trading and investment securities:			
1. Bankers' acceptances, certificates of deposit and commercial paper		1,500,000	3680
2. U.S. and Canadian government obligations		5,924,150	3690
3. State and municipal government obligations		3,788,706	3700
4. Corporate obligations		3,704,863	3710
5. Stocks and warrants		38,878,196	3720
6. Options		0	3730
7. Arbitrage		0	3732
8. Other securities		0	3734
D. Undue concentration		596,049	3650
E. Other (List)		0	3736
10. Net Capital	\$	113,878,970	3740
		54,391,964	3750

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 12/31/13

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	\$	9,540,711	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)	\$	9,540,711	3760
25. Excess net capital (line 10 less 24)	\$	104,338,259	3910
26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8)	%	23.87	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)	%	23.87	3854
28. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	90,027,193	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.