

FORM  
X-17A-5

FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

Part II 11

(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  
WEBBUSH SECURITIES INC.

SEC FILE NO  
 13 12987 14

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

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

FIRM ID NO  
 20 877 15

LOS ANGELES  
(City)

21 CA  
(State)

22 90017-2457  
(Zip Code)

FOR PERIOD BEGINNING (MM/DD/YY)  
 23 05/01/2014 24

AND ENDING (MM/DD/YY)  
 24 05/31/2014 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
SHAWN KEAGY - EVP / CFO

(Area Code)---Telephone No.  
 30 (213) 688-4516 31

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

OFFICIAL USE

32 \_\_\_\_\_ 33  
 34 \_\_\_\_\_ 35  
 36 \_\_\_\_\_ 37  
 38 \_\_\_\_\_ 39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNT?

YES  40

NO  41

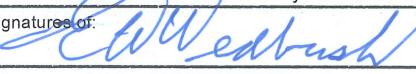
CHECK HERE IF RESPONDENT IS FILING AN AUDIT REPORT?  42

**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 06/24/2014 Electronically submitted through WinJammer

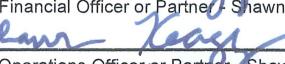
Manual signature of:

1) 

Principal Executive Officer of Managing Partner - Edward Wedbush

2) 

Principal Financial Officer or Partner - Shawn Keagy

3) 

Principal Operations Officer or Partner - Shawn Keagy

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

## FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART II

BROKER OR DEALER:

WEBBUSH SECURITIES INC.

as of: 05/31/2014

## STATEMENT OF FINANCIAL CONDITION

As of (MMDDYY)	99
SEC FILE NO.	12987
Consolidated	98
Unconsolidated	198
	X 199

ASSETS

	<u>Allowable</u>	<u>Non-Allowable</u>	<u>Total</u>
1. Cash	\$ 13,151,649	200	\$ 13,151,649 750
2. Cash segregated in compliance with federal and other regulations	2,710,890	210	2,710,890 760
3. Receivable from brokers or dealers and clearing organizations:			
A. Failed to deliver:			
1. Includable in "Formula for Reserve Requirements"	12,040,959	220	
2. Other	10,260,753	230	22,301,712 770
B. Securities borrowed:			
1. Includable in "Formula for Reserve Requirements"	230,764,732	240	
2. Other	376,813,483	250	607,578,215 780
C. Omnibus accounts:			
1. Includable in "Formula for Reserve Requirements"	0	260	
2. Other	286,106	270	286,106 790
D. Clearing organizations:			
1. Includable in "Formula for Reserve Requirements"	12,842,334	280	
2. Other	38,918,336	290	51,760,670 800
E. Other	2,171,772	300	\$ 155,357 550 2,327,129 810
4. Receivables from customers:			
A. Securities accounts:			
1. Cash and fully secured accounts	272,348,704	310	
2. Partly secured accounts	2,639,750	320	998,229 560
3. Unsecured accounts			6,457,701 570
B. Commodity accounts	0	330	0 580
C. Allowance for doubtful accounts	(6,204,405)	335	(7,455,930) 590 268,784,049 820
5. Receivables from non-customers:			
A. Cash and fully secured accounts	138,697,056	340	
B. Partly secured and unsecured accounts	0	350	0 600 138,697,056 830
6. Securities purchased under agreements to resell	1,805,900,250	360	0 605 1,805,900,250 840
7. Securities and spot commodities owned, at market value:			
A. Bankers acceptances, certificates of deposit and commercial paper	150,000,000	370	
B. U.S. and Canadian government obligations	296,002,020	380	
C. State and municipal government obligations	40,936,562	390	
D. Corporate obligations	18,145,293	400	

## FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART II

BROKER OR DEALER:

WEBBUSH SECURITIES INC.

as of: 05/31/2014

## STATEMENT OF FINANCIAL CONDITION

ASSETS

	Allowable	Non-Allowable	Total
E. Stock and warrants	\$ 111,159,413	410	
F. Options	9,243,127	420	
G. Arbitrage	0	422	
H. Other securities	0	424	
I. Spot commodities	0	430	
J. Total Inventory - includes encumbered securities of \$181,639,318 [120]			\$ 625,486,415 850
8. Securities owned not readily marketable:			
A. At Cost \$0 [130]	0 440	\$ 21,944,432 610	21,944,432 860
9. Other investments not readily marketable:			
A. At Cost \$0 [140]	0 450	0 620	0 870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities \$0 [150]	0 460	0 630	0 880
B. Other \$0 [160]			
11. Secured demand notes - market value of collateral:			
A. Exempted securities \$0 [170]	0 470	0 640	0 890
B. Other \$0 [180]			
12. Memberships in exchanges:			
A. Owned, at market value \$0 [190]		0 650	
B. Owned at cost			
C. Contributed for use of company, at market value		0 660	0 900
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships	0 480	19,221,252 670	19,221,252 910
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization)	0 490	0 680	0 920
15. Other Assets:			
A. Dividends and interest receivable	3,527,667 500	5,280 690	
B. Free shipments	0 510	0 700	
C. Loans and advances	0 520	0 710	
D. Miscellaneous	15,813,716 530	33,860,479 720	
E. Collateral accepted under SFAS 140	0 536		
F. SPE Assets	0 537		
16. TOTAL ASSETS	\$ 3,558,170,167 540	\$ 75,186,800 740	\$ 3,633,356,967 940

## FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART II

BROKER OR DEALER:

WEBBUSH SECURITIES INC.

as of: 05/31/2014

## STATEMENT OF FINANCIAL CONDITION

## LIABILITIES AND OWNERSHIP EQUITY

	<u>Liabilities</u>	<u>A.I.</u>	<u>Non-A.I.</u>	<u>Liabilities *</u>	<u>Total</u>
		<u>Liabilities *</u>		<u>Liabilities *</u>	
17. Bank loans payable:					
A. Includable in "Formula for Reserve Requirements"		\$ 0	1030	\$ 0	1460
0		0	1040	0	1470
B. Other					
18. Securities sold under repurchase agreements				0	109,493,404
19. Payable to brokers or dealers and clearing organizations:				0	1480
A. Failed to receive:					
1. Includable in "Formula for Reserve Requirements"		0	1050	0	1490
0		0	1060	0	1500
2. Other					
B. Securities loaned:					
1. Includable in "Formula for Reserve Requirements"		0	1070	23,073,916	1510
0		0	1080	0	1520
2. Other					
C. Omnibus accounts:					
1. Includable in "Formula for Reserve Requirements"		0	1090	0	1530
0		0	1095	0	1540
2. Other					
D. Clearing organizations:					
1. Includable in "Formula for Reserve Requirements"		0	1100	1,172,667	1550
0		0	1105	0	1560
2. Other					
E. Other				0	1,533,347
0		0	1110	0	1570
20. Payable to customers:					
A. Securities accounts - including free credits of \$1,672,771,192 [950]		0	1120	2,286,752,911	1580
B. Commodities accounts		0	1130	0	1590
21. Payable to non customers:					
A. Securities accounts		0	1140	0	1600
B. Commodities accounts		0	1150	0	1610
22. Securities sold not yet purchased at market value - including arbitrage of \$0 [960]				0	242,683,096
23. Accounts payable and accrued liabilities and expenses:				0	1620
A. Drafts payable		0	1160	12,934,834	1630
B. Accounts payable		0	1170	12,165,885	1640
C. Income taxes payable		0	1180	16,955	1650
D. Deferred income taxes			0	1370	0
E. Accrued expenses and other liabilities		0	1190	73,473,093	1670
F. Other		0	1200	0	1680
G. Obligation to return securities			0	1386	0
H. SPE Liabilities			0	1387	0

\* 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:** 05/31/2014

**STATEMENT OF FINANCIAL CONDITION**  
**LIABILITIES AND OWNERSHIP EQUITY (continued)**

<u>Liabilities</u>	A.I.	Non A.I.	<u>Total</u>
	<u>Liabilities *</u>	<u>Liabilities *</u>	
24. Notes and mortgages payable:			
A. Unsecured	\$ 0	1210	\$ 0
B. Secured	0	1211	0
			1690
			1700
25. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings		0	0
1. from outsiders \$0 [970]		1400	1710
2. Includes equity subordination(15c3-1(d)) of \$0 [980]			
B. Securities borrowings, at market value		0	0
1. from outsiders \$0 [990]		1410	1720
C. Pursuant to secured demand note collateral agreements		0	0
1. from outsiders \$0 [1000]		1420	1730
2. Includes equity subordination(15c3-1(d)) of \$0 [1010]			
D. Exchange memberships contributed for use of company, at market value		0	0
E. Accounts and other borrowings not qualified for net capital purposes		0	0
	0	1220	1750
		1440	
26. TOTAL LIABILITIES	\$ 0	1230	\$ 3,379,013,592
		1450	1760

**Ownership Equity**

27. Sole proprietorship			\$ 0	1770
28. Partnership- limited partners		\$ 0	1020	1780
29. Corporation:				
A. Preferred stock			0	1791
B. Common stock			700,000	1792
C. Additional paid-in capital			11,098,393	1793
D. Retained earnings			244,267,244	1794
E. Total			256,065,637	1795
F. Less capital stock in treasury			(1,722,262)	1796
30. TOTAL OWNERSHIP EQUITY			\$ 254,343,375	1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 3,633,356,967	1810

\* 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:

WEBBUSH SECURITIES INC.

as of: 05/31/2014

## COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$ 254,343,375	3480
2. Deduct: Ownership equity not allowable for net capital	0	3490
3. Total ownership equity qualified for net capital	254,343,375	3500
4. Add:		
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital	0	3520
B. Other (deductions) or allowable credits (List)	6,204,405	3525
5. Total capital and allowable subordinated liabilities	\$ 260,547,780	3530
6. Deductions and/or charges:		
A. Total non-allowable assets from Statement of Financial Condition (Notes B and C)	\$ 75,186,800	3540
1. Additional charges for customers' and non-customers' security accounts	\$ 50,851,240	3550
2. Additional charges for customers' and non-customers' commodity accounts	0	3560
B. Aged fail-to-deliver	900,803	3570
1. Number of items	135	3450
C. Aged short security differences-less reserve of number of items	\$ 0	3460
	0	3470
D. Secured demand note deficiency	0	3590
E. Commodity futures contracts and spot commodities proprietary capital charges	0	3600
F. Other deductions and/or charges	8,272,138	3610
G. Deductions for accounts carried under Rule 15c3-1(a)(6),(a)(7) and (c)(2)(x)	0	3615
H. Total deductions and/or charges	(135,210,981)	3620
7. Other additions and/or allowable credits (List)	0	3630
8. Net Capital before haircuts on securities positions	\$ 125,336,799	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	750,000	3680
2. U.S. and Canadian government obligations	8,864,820	3690
3. State and municipal government obligations	2,462,938	3700
4. Corporate obligations	286,038	3710
5. Stocks and warrants	22,510,352	3720
6. Options	0	3730
7. Arbitrage	0	3732
8. Other securities	0	3734
D. Undue concentration	0	3650
E. Other (list)	0	3736
10. Net Capital	(34,874,148)	3740
	\$ 90,462,651	3750

## FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART II

BROKER OR DEALER:

WEBBUSH SECURITIES INC.

as of: 05/31/2014

## COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

## Part A

11. Minimum net capital required (6-2/3% of line 19)	\$ 0	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)	\$ 0	3758
13. Net capital requirement (greater of line 11 or 12)	\$ 0	3760
14. Excess net capital (line 10 less 13)	\$ 0	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19)	\$ 0	3780

## COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$ 0	3790
17. Add:		
A. Drafts for immediate credit	\$ 0	3800
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$ 0	3810
C. Other unrecorded amounts (List)	\$ 0	3820
18. Deduct: Adjustment based on deposits in Special Reserve Bank Accounts (15c3-1(c)(1)(vii))	\$ 0	3830
19. Total aggregate indebtedness	\$ 0	3838
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	\$ 0	3840
21. Percentage of aggregate indebtedness to net capital after anticipated capital withdrawals (line 19 divided by line 10 less item 4880 page 11)	0.00 %	3850
	0.00 %	3853

## COMPUTATION OF ALTERNATIVE 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 the net capital computation including both brokers or dealers and consolidated subsidiaries' debits	\$ 10,192,085	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)	\$ 10,192,085	3760
25. Excess net capital (line 10 less line 24)	\$ 80,270,566	3910
26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8)	18%	3851
27. Percentage of Net Capital, after anticipated capital withdrawals, to Aggregate Debits (line 10 less item 4880 page 11 divided by line 18 page 8)	18%	3854
28. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or 120% of minimum Net Capital Requirement	\$ 64,982,439	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	0.00 %	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 alternative 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.

**SUPPLEMENT TO  
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II**

<b>BROKER OR DEALER:</b>	WEBBUSH SECURITIES INC.	as of: 05/31/2014
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**COMPUTATION OF CFTC MINIMUM NET CAPITAL REQUIREMENT**

A.	Risk Based Requirement	\$ 0	7415
i.	Amount of Customer Risk Maintenance	0	7425
	Margin Requirement		
ii.	Enter 8% of line A.i	0	7425
iii.	Amount of Non-Customer Risk Maintenance	0	7435
	Margin Requirement		
iv.	Enter 8% of line A.iii	0	7445
v.	Enter the sum of A.ii and A.iv	0	7455
B.	Minimum Dollar Amount Requirement	1,000,000	7465
C.	Other NFA Requirement	0	7475
D.	Minimum CFTC Net Capital Requirement. Enter the greatest of lines A.v., B. or C. (See Note)	<u>\$ 1,000,000</u>	7490

Note : If amount on line D (7490) is greater than minimum capital requirement computed in Item 3760 (Page 6) then enter this greater amount in Item 3760. The greater of the amount required by SEC or CFTC is the minimum net capital requirement.

E.	CFTC Early Warning Level	<u>\$ 1,500,000</u>	7495
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Note: If the Minimum Net Capital Requirement computed on line D (7490) is:  
 The Risk Based Requirement, enter 110% of line A (7455), or  
 The Minimum Dollar Requirement of \$1,000,000, enter 150% of line B. (7465), or  
 The Minimum Dollar Requirement of \$20,000,000 for FCMs offering or engaging in retail forex transactions or Retail Foreign Exchange Dealers ("RFED"), enter 110% of line B (7465), or  
 Other NFA Requirement of \$20,000,000 plus five percent of the FCM's offering or engaging in retail forex transactions or Retail Foreign Exchange Dealer's ("RFED") total retail forex obligations in excess of \$10,000,000, enter 110% of line C. (7475), or  
 Any other NFA Requirement, enter 150% of line 22.C. (7475)

**SUPPLEMENT TO  
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II**

**BROKER OR DEALER:** WEDBUSH SECURITIES INC.

**as of:** 05/31/2014

**STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION  
FOR CUSTOMERS TRADING ON U.S. COMMODITY EXCHANGES**

**SEGREGATION REQUIREMENTS(Section 4d(2) of the CEAAct)**

1. Net ledger balance			
A. Cash		\$ 0	7010
B. Securities (at market)		0	7020
2. Net unrealized profit (loss) in open futures contracts traded on a contract market		0	7030
3. Exchange traded options			
A. Add market value of open option contracts purchased on a contract market		0	7032
B. Deduct market value of open option contracts granted (sold) on a contract market		0	7033
4. Net equity (deficit) (add lines 1, 2 and 3)		0	7040
5. Accounts liquidating to a deficit and accounts with debit balances			
- gross amount	0	7045	
Less: amount offset by customer securities	0	7047	0
6. Amount required to be segregated (add lines 4 and 5)		\$ 0	7060

**FUNDS IN SEGREGATED ACCOUNTS**

7. Deposited in segregated funds bank accounts			
A. Cash		0	7070
B. Securities representing investments of customers' funds (at market)		0	7080
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	7090
8. Margins on deposit with derivatives clearing organizations of contract markets			
A. Cash		0	7100
B. Securities representing investments of customers' funds (at market)		0	7110
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	7120
9. Net settlement from (to) derivatives clearing organizations of contract markets		0	7130
10. Exchange traded options			
A. Value of open long option contracts		0	7132
B. Value of open short option contracts		0	7133
11. Net equities with other FCMs			
A. Net liquidating equity		0	7140
B. Securities representing investments of customers' funds (at market)		0	7160
C. Securities held for particular customers or option customers in lieu of cash (at market)		0	7170
12. Segregated funds on hand (describe: )		0	7150
13. Total amount in segregation (add lines 7 through 12)		0	7180
14. Excess (deficiency) funds in segregation (subtract line 6 from line 13)		\$ 0	7190
15. Management Target Amount for Excess funds in segregation		0	7194
16. Excess (deficiency) funds in segregation over (under) Management Target Amount Excess		0	7198

**SUPPLEMENT TO  
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II**

<b>BROKER OR DEALER:</b>	WEBBUSH SECURITIES INC.	<b>as of:</b>	05/31/2014
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**STATEMENT OF SEGREGATION REQUIREMENTS AND FUNDS IN SEGREGATION  
FOR CUSTOMERS' DEALER OPTIONS ACCOUNTS**

1. Amount required to be segregated in accordance with Commission regulation 32.6	\$ 0	7200
2. Funds in segregated accounts		
A. Cash	\$ 0	7210
B. Securities (at market)	0	7220
C. Total	0	7230
3. Excess (deficiency) funds in segregation (subtract line 1. from line 2.C.)	\$ 0	7240

**SUPPLEMENT TO  
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART II**

**BROKER OR DEALER:** WEDBUSH SECURITIES INC.

**as of:** 05/31/2014

**STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS  
PURSUANT TO COMMISSION REGULATION 30.7**

**FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS**

Amount required to be set aside pursuant to law, rule or regulation of a foreign government or a rule of a self-regulatory organization authorized thereunder	\$ 0	7305
1. Net ledger balance - Foreign Futures and Foreign Options Trading - All Customers		
A. Cash	\$ 0	7315
B. Securities (at market)	\$ 0	7317
2. Net unrealized profit (loss) in open futures contracts traded on a foreign board of trade	\$ 0	7325
3. Exchange traded options		
A. Market value of open option contracts purchased on a foreign board of trade	\$ 0	7335
B. Market value of open option contracts granted (sold) on a foreign board of trade	\$ 0	7337
4. Net equity (deficit) (add lines 1, 2, and 3)	\$ 0	7345
5. Accounts liquidating to a deficit and accounts with debit balances - gross amount	\$ 0	7351
Less: amount offset by customer owned securities	\$ 0	7352
6. Amount to be set aside as the secured amount - Net Liquidating Equity Method (add lines 4 and 5)	\$ 0	7355
7. Greater of amount required to be set aside pursuant to foreign jurisdiction (above) or line 6.	\$ 0	7360