

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

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

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FOR PERIOD BEGINNING (MM/DD/YY)

07/01/13

24

AND ENDING (MM/DD/YY)

07/31/13

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

33

34

35

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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 23rd day of August 20 13

Manual Signatures of:

1)

Principal Executive Officer or 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. 78:f (a))

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PART II

WEDBUSH SECURITIES INC.

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STATEMENT OF FINANCIAL CONDITION

as of (MM/DD/YY) 07/31/13

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SEC FILE NO. 8-12987

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198

Unconsolidated

X

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ASSETS

Allowable

Nonallowable

Total

1. Cash	\$	16,549,411	200	\$	16,549,411	750	
2. Cash segregated in compliance with federal and other regulations		100,181,619	210		100,181,619	760	
3. Receivable from brokers or dealers and clearing organizations:							
A. Failed to deliver:							
1. Includable in "Formula for Reserve Requirements"		0	220				
2. Other		11,743,288	230		11,743,288	770	
B. Securities borrowed:							
1. Includable in "Formula for Reserve Requirements"		211,046,914	240				
2. Other		795,730,041	250		1,006,776,955	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"		15,692,070	280				
2. Other		29,873,890	290		45,565,960	800	
E. Other		131,662	300	\$ 99,619	231,281	810	
4. Receivables from customers:							
A. Securities accounts:							
1. Cash and fully secured accounts		224,802,813	310				
2. Partly secured accounts		2,291,191	320	980,045	560		
3. Unsecured Accounts				6,360,748	570		
B. Commodity accounts		0	330		580		
C. Allowance for doubtful accounts	(6,177,522	335	(7,340,793)	590	220,916,482	820
5. Receivables from non-customers:							
A. Cash and fully secured accounts		275,583,188	340				
B. Partly secured and unsecured accounts		0	350		600	275,583,188	830
6. Securities purchased under agreements to resell		1,792,588,755	360		605	1,792,588,755	840
7. Securities and spot commodities owned, at market value:							
A. Banker's acceptances, certificates of deposit and commercial paper		50,000,000	370				
B. U.S. and Canadian government obligations		138,178,557	380				
C. State and municipal government obligations		22,110,802	390				
D. Corporate obligations		45,440,487	400				

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 07/31/13

STATEMENT OF FINANCIAL CONDITION

ASSETS (continued)

	<u>Allowable</u>	<u>Nonallowable</u>	<u>Total</u>
E. Stocks and warrants	\$ 151,048,206 <u>410</u>		
F. Options	15,853,945 <u>420</u>		
G. Arbitrage	0 <u>422</u>		
H. Other securities	0 <u>424</u>		
I. Spot Commodities	0 <u>430</u>		
J. Total inventory - includes encumbered securities of ... \$ <u>120</u>			\$ 422,631,997 <u>850</u>
8. Securities owned not readily marketable:			
A. At Cost \$ <u>130</u>	<u>440</u>	\$ 0 <u>610</u>	0 <u>860</u>
9. Other investments not readily marketable:			
..... \$ <u>140</u>			
B. At estimated fair value	<u>450</u>	0 <u>620</u>	0 <u>870</u>
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:			
A. Exempted securities \$ <u>150</u>			
B. Other \$ <u>160</u>	<u>460</u>	0 <u>630</u>	0 <u>880</u>
11. Secured demand notes- market value of collateral:			
A. Exempted securities \$ <u>170</u>			
B. Other \$ <u>180</u>	<u>470</u>	0 <u>640</u>	0 <u>890</u>
12. Memberships in exchanges:			
A. Owned, at market value \$ <u>190</u>			
B. Owned at cost		0 <u>650</u>	
C. Contributed for use of company, at market value		0 <u>660</u>	0 <u>900</u>
13. Investment in and receivables from affiliates, subsidiaries and associated partnerships	<u>480</u>	14,989,270 <u>670</u>	14,989,270 <u>910</u>
14. Property, furniture, equipment, leasehold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization)	<u>490</u>	<u>680</u>	<u>920</u>
15. Other Assets:			
A. Dividends and interest receivable	3,583,448 <u>500</u>	5,168 <u>690</u>	
B. Free shipments	<u>510</u>	<u>700</u>	
C. Loans and advances	<u>520</u>	<u>710</u>	
D. Miscellaneous	26,328,416 <u>530</u>	28,547,961 <u>720</u>	
E. Collateral accepted under SFAS 140	<u>536</u>		
F. SPE Assets	<u>537</u>		58,464,993 <u>930</u>
16. TOTAL ASSETS \$	3,922,581,181 <u>540</u>	\$ 43,642,018 <u>740</u>	\$ 3,966,223,199 <u>940</u>

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER	as of
WEDBUSH SECURITIES INC.	07/31/13

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	\$ 1460
B. Other	1040	1250	38,000,000 1470
18. Securities sold under repurchase agreements.		1260	61,086,166 1480
19. Payable to brokers or dealers and clearing organizations:			
A. Failed to receive:			
1. Includable in "Formula for Reserve Requirements"	1050	1270	5,151,279 1490
2. Other	1060	1280	6,624,153 1500
B. Securities loaned:			
1. Includable in "Formula for Reserve Requirements"	1070		77,553,001 1510
2. Other	1080	1290	759,552,246 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		2,040,952 1550
2. Other	1105	1310	1,850,737 1560
E. Other	1110	1320	157,719 1570
20. Payable to customers:			
A. Securities accounts - including free credits of \$ 1,554,693,714	950 1120		2,084,687,895 1580
B. Commodities accounts	1130	1330	1590
21. Payable to non customers:			
A. Securities accounts	1140	1340	328,459,913 1600
B. Commodities accounts	1150	1350	1610
22. Securities sold not yet purchased at market value - including arbitrage of \$	960	1360	270,365,914 1620
23. Accounts payable and accrued liabilities and expenses:			
A. Drafts payable	1160		13,743,436 1630
B. Accounts payable	1170		12,492,472 1640
C. Income taxes payable	1180		20,154 1650
D. Deferred income taxes		1370	1660
E. Accrued expenses and other liabilities ..	1190		40,942,170 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 07/31/13

STATEMENT OF FINANCIAL CONDITION
LIABILITIES AND OWNERSHIP EQUITY (continued)

	<u>Liabilities</u>	<u>A.I. Liabilities</u> *	<u>Non-A.I. Liabilities</u> *	<u>Total</u>
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	\$ 3,702,728,207	1760
<u>Ownership Equity</u>				
27. Sole proprietorship			\$ 1770	
28. Partnership - limited partners	\$ 1020		1780	
29. Corporation:				
A. Preferred stock			0	1791
B. Common stock			700,000	1792
C. Additional paid- in capital			10,853,857	1793
D. Retained Earnings			253,663,397	1794
E. Total			265,217,254	1795
F. Less capital stock in treasury			(1,722,262)	1796
30. TOTAL OWNERSHIP EQUITY			\$ 263,494,992	1800
31. TOTAL LIABILITIES AND OWNERSHIP EQUITY			\$ 3,966,223,199	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 07/31/13

COMPUTATION OF NET CAPITAL

1. Total ownership equity (from Statement of Financial Condition - Item 1800)	\$	263,494,992	3480
2. Deduct: Ownership equity not allowable for Net Capital	(0	3490
3. Total ownership equity qualified for Net Capital		263,494,992	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)		6,177,522	3525
5. Total capital and allowable subordinated liabilities	\$	269,672,514	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C)	\$	43,642,018	3540
1. Additional charges for customers' and non-customers' security accounts		43,901,110	3550
2. Additional charges for customers' and non-customers' commodity accounts		0	3560
B. Aged fail-to-deliver:		219,570	3570
1. number of items	105		3450
C. Aged short security differences-less reserve of	\$	0	3580
number of items			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		4,837,871	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	(92,600,569	3620
7. Other additions and/or allowable credits (List)			3630
8. Net Capital before haircuts on securities positions	\$	177,071,945	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		750,000	3680
2. U.S. and Canadian government obligations		6,500,611	3690
3. State and municipal government obligations		2,331,529	3700
4. Corporate obligations		4,030,591	3710
5. Stocks and warrants		36,327,864	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	\$	127,131,350	3740

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 07/31/13

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

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

COMPUTATION OF AGGREGATE INDEBTEDNESS

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

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	\$	<u>8,538,503</u>	<u>3870</u>
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note(A)	\$	<u>1,000,000</u>	<u>3880</u>
24. Net capital requirement (greater of line 22 or 23)	\$	<u>8,538,503</u>	<u>3760</u>
25. Excess net capital (line 10 less 24)	\$	<u>118,592,847</u>	<u>3910</u>
26. Percentage of Net Capital to Aggregate Debits (line 10 divided by line 18 page 8)	%	<u>29.78</u>	<u>3851</u>
27. Percentage of Net Capital, <u>after</u> anticipated capital withdrawals, to Aggregate Debits item 10 less Item 4880 page 12 divided by line 17 page 8)	%	<u>29.78</u>	<u>3854</u>
28. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	<u>105,785,092</u>	<u>3920</u>

OTHER RATIOS

Part C

29. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1 (d)	%	<u>0.00</u>	<u>3860</u>
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	%		<u>3852</u>

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.

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 07/31/13

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

SEGREGATION REQUIREMENTS (Section 4d(2) of the CEAct)

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

FUNDS IN SEGREGATED ACCOUNTS

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

BROKER OR DEALER	as of	07/31/13
WEDBUSH SECURITIES INC.		

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

\$ _____ 7200

2. Funds in segregated accounts

A. Cash

\$ 7210

B. Securities (at market)

_____ 7220

C. Total

7230

3. Excess (deficiency) funds in segregation

(subtract line 2.C from line 1)

\$ _____ 7240

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER
WEDBUSH SECURITIES INC.

as of 07/31/13

STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
FOR FOREIGN FUTURES AND FOREIGN OPTIONS CUSTOMERS
PURSUANT TO COMMISSION REGULATION 30.7

FOREIGN FUTURES AND FOREIGN OPTIONS SECURED AMOUNTS - SUMMARY

I. Check the appropriate box to identify the amount shown on line 1. below.

- ☐ 7300 Secured amounts in only U.S. - domiciled customers' accounts
- ☐ 7310 Secured amounts in U.S. and foreign - domiciled customers' accounts
- ☐ 7320 Net liquidating equities in all accounts of customers
trading on foreign boards of trade
- ☐ 7330 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.

II. Has the FCM changed the method of calculating the amount to be set aside in separate accounts since the last financial report it filed ?

- ☐ Yes 7340 If yes, explain the change below
- ☐ No 7350

1. Amount to be set aside in separate section
30.7 accounts

\$ _____ 7360

2. Total funds in separate section 30.7 accounts
(page T10-4, line 8)

_____ 7370

3. Excess (deficiency) - (subtract line 1 from line 2)

\$ _____ 7380

SUPPLEMENT TO
FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART II

BROKER OR DEALER

WEDBUSH SECURITIES INC.

as of 07/31/13

STATEMENT OF SECURED AMOUNTS AND FUNDS HELD IN SEPARATE ACCOUNTS
FOR FOREIGN FUTURES AND FOREIGN OPTIONS CUSTOMERS
PURSUANT TO COMMISSION REGULATION 30.7

FUNDS DEPOSITED IN SEPARATE REGULATION 30.7 ACCOUNTS

1. Cash in banks

A. Banks located in the United States \$ 7500

B. Other banks designated by the Commission

Name(s): 7510 7520 \$ 7530

2. Securities

A. In safekeeping with banks located in the United States \$ 7540

B. In safekeeping with other banks designated by the Commission

Name(s): 7550 7560 7570

3. Equities with registered futures commission merchants

A. Cash \$ 7580

B. Securities 7590

C. Unrealized gain (loss) on open futures contracts 7600

D. Value of long option contracts 7610

E. Value of short option contracts () 7615 7620

4. Amounts held by clearing organizations of foreign boards of trade

Name(s): 7630

A. Cash \$ 7640

B. Securities 7650

C. Amount due to (from) clearing organizations - daily variation 7660

D. Value of long option contracts 7670

E. Value of short option contracts () 7675 7680

5. Amounts held by members of foreign boards of trade

Name(s): 7690

A. Cash \$ 7700

B. Securities 7710

C. Unrealized gain (loss) on open futures contracts 7720

D. Value of long option contracts 7730

E. Value of short option contracts () 7735 7740

6. Amounts with other depositories designated by a foreign board of trade

Name(s): 7750 7760

7. Segregated funds on hand (describe:) 7765

8. Total funds in separate section 30.7 accounts (to page T10-3 line 2) \$ 7770

A. If any securities shown are other than the types of securities referred to in CFTC Regulation 1.25, attach a separate schedule detailing the obligations shown on each such line.