

Statement of Financial Condition (Unaudited)

Wedbush & Co., LLC

(SEC Identification No. 8-71158)

December 31, 2024

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Wedbush & Co., LLC
Statement of Financial Condition
As of December 31, 2024

Assets		
Cash	\$	2,332,946
Other assets		2,185
Total assets	\$	2,335,131
Liabilities and member's equity		
Payable to affiliates	\$	271,325
Other liabilities		468,758
Total liabilities		740,083
Member's equity		
Additional paid-in capital		1,000,000
Retained earnings		595,048
Total member's equity		1,595,048
Total liabilities and member's equity	\$	2,335,131

See accompanying notes to the statement of financial condition

Wedbush & Co., LLC
Notes to the Statement of Financial Condition
December 31, 2024

(1) Organization

Wedbush & Co., LLC (the Company) is a Delaware limited liability company. The Company is a financial services company headquartered in New York, New York, that provides private placement services to institutional clients located in the United States of America. The Company is registered as a securities broker-dealer with the U.S. Securities and Exchange Commission (SEC). The Company is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation. The Company's direct parent and sole member is Wedbush Financial Services, LLC (WFS), a Delaware limited liability company. WFS is majority owned by Wedbush Capital (WedCap).

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The Company follows accounting principles generally accepted in the United States of America (U.S. GAAP), as established by the Financial Accounting Standards Board (FASB), to ensure consistent reporting of financial condition. The U.S. dollar is the functional currency of the Company.

(b) Use of Estimates

In preparing the Statement of Financial Condition, management is required to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the Statement of Financial Condition during the reported period. Although estimates and assumptions are based on the best available information, actual results could differ materially from these estimates.

(c) Cash

Cash is comprised of on demand deposits. Cash on deposit with financial institutions, may, at times, exceed federal insurance limits.

(d) Revenue Recognition

Revenues from private placements are recognized when the services related to the underlying transaction are completed under the terms of the engagement.

Additional information regarding revenue recognition is included in Note 3 "Revenue from Contracts with Customers."

(e) Income Taxes

The Company computes tax provisions in accordance with ASC 740, *Income Taxes* (ASC 740), on a modified separate return method. Deferred tax assets and liabilities are recognized for temporary differences between the financial reporting and tax basis of the Company's assets and liabilities. Deferred taxes are adjusted to reflect the tax rates at which future taxable amounts will likely be settled or realized. The effects of tax rate changes on future deferred tax liabilities and deferred tax

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assets, as well as other changes in income tax laws, are recognized in the period during which such changes are enacted. The Company follows guidance under ASC 740, which sets out a consistent framework to determine the appropriate level of tax reserves to maintain for uncertain tax positions. Under ASC 740, the Company determines whether it is more likely than not that an income tax position will be sustained upon examination by tax authorities.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. Sustainable income tax positions are measured to determine the amount of benefit to be recognized in the Statement of Financial Condition based on the largest amount of benefit that is more likely than not to be realized upon ultimate settlement.

(f) Recent Accounting Developments

Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): *Improvements to Reportable Segment Disclosures*. This guidance requires enhanced disclosures about significant segment expenses. This ASU also requires a public entity with a single reportable segment to include all the disclosures required by Topic 280. The ASU is effective for annual periods beginning after December 15, 2023, with early adoption permitted, and is to be applied on a retrospective basis. The Company is currently evaluating the impact of the new guidance.

Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*. The amendments in this update improve the transparency of income tax disclosures related to the rate reconciliation and income taxes paid by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. The ASU is effective for annual periods beginning after December 15, 2024 with early adoption permitted. The Company is currently evaluating the impact of the new guidance but does not expect a material impact on its Statement of Financial Condition.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures* (Subtopic 220-40). The amendments in this update require disclosure, in the notes to financial statements of specified information about certain costs and expenses. The ASU is effective for annual periods beginning after December 15, 2026, with early adoption permitted, and may be applied either on a prospective or retrospective basis. The Company is currently evaluating the impact of the new guidance but does not expect a material impact on its Statement of Financial Condition.

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(3) Revenues from Contracts with Customers

The timing of revenue recognition may differ from the timing of payment by customers. The Company records a receivable when revenue is recognized prior to payment and the Company has an unconditional right to payment. Alternatively, when payment precedes the provision of the related services, the Company records deferred revenue until the performance obligations are satisfied.

The Company had no receivables or deferred revenue outstanding related to revenues from contracts with customers at December 31, 2024.

(4) Income Taxes

The Company is included in the filing of WedCap's consolidated tax return for federal tax purposes and in WedCap's combined returns for certain states where such filing is required or permitted. The Company is also a party to a tax allocation agreement with WedCap. The Company has adopted the modified separate return approach, whereby the Company calculates its corresponding tax amounts in accordance with the current enacted tax laws and rates while also considering those tax attributes that are realized or realizable by WedCap and corresponding consolidated or combined group. The Company believes its adopted modified separate return approach is systematic and rational and has been consistently applied.

The Company had no material unrecognized tax benefits.

WedCap is no longer subject to U.S. federal examinations for the years before June 30, 2019, and, with a few exceptions, to state and local tax examinations for the years before June 30, 2019.

Included in Payable to affiliates in the Statement of Financial Condition are federal and state tax payable to WFS of \$213,900 at December 31, 2024.

The Company recognizes deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. As of December 31, 2024 the Company has no deferred tax assets or liabilities.

(5) Net Capital Requirement and other Regulatory Matters

The Company is subject to the SEC's Uniform Net Capital Rule 15c3-1, which requires the maintenance of minimum net capital. The Company is required to maintain minimum net capital equal to the greater of 12.5% of Aggregate Indebtedness, or \$5,000. At December 31, 2024, the Company had net capital of \$1.6 million that was \$1.6 million in excess of the required minimum net capital at that date. The Company's aggregate indebtedness was 19% of its net capital as of December 31, 2024.

The Company does not claim an exemption under paragraph (k) of 17 C.F.R § 240.15c3-3. The Company does not carry securities accounts for customers or perform custodial functions related to customer securities. This allows the Company to file an exemption report under Footnote 74 to SEC Release 34-70073.

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Notes to the Statement of Financial Condition - continued

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(6) Contingencies

The Company may be subject to various proceedings and claims arising primarily from securities business activities, including lawsuits, arbitration claims and regulatory matters. The Company may be involved in other reviews, investigations, and proceedings by governmental bodies and self-regulatory organizations regarding its business, which may result in adverse judgments, settlements, fines, penalties, injunctions and other relief. The Company accrues for a settlement when a liability is deemed probable and estimable in Other liabilities in the Statement of Financial Condition.

At the present time, the Company has not recorded any loss contingencies on the Company's Statement of Financial Condition.

(7) Related-Party Transactions

The Company has cost sharing agreements with the affiliated company, Wedbush Securities, Inc. (WSI), related to shared resources such as employees, equipment, software and support services. Employees' compensation and benefits are allocated to the Company based on the percentage of time worked for the Company. The Company remits monthly payment to WSI to cover the shared cost.

At December 31, 2024, Payable to affiliates in the Statement of Financial Condition included \$57,425 related to cost sharing agreements.

At December 31, 2024, Other liabilities in the Statement of Financial Condition included \$443,758 related to compensation payable to shared employees.

The Company has agreements with affiliates for other activities, including a tax sharing agreement with WedCap as described in Note 4 "Income Taxes." Unsettled amounts for these activities are recorded within Payable to affiliates in the Statement of Financial Condition.

(8) Subsequent Events

The Company has evaluated all events subsequent to December 31, 2024, up until the date the Statement of Financial Condition was issued, and has determined there were no events or transactions during said period that would require recognition or disclosure in the Statement of Financial Condition.