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**SECURITIES AND EXCHANGE COMMISSION  
RECEIVED**

**JUL 19 2017**

**REGISTRATIONS BRANCH**

**16**

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

SEC FILE NUMBER
8-66487

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/16 AND ENDING 12/31/16  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Ambata Securities, LLC

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
1201 Peachtree Street, Building 400, Suite 1720  
(No. and Street)

Atlanta GA 30361  
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
Scott Starowicz 404-856-6709  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
AGL CPA Group, LLC  
(Name - if individual, state last, first, middle name)

2810 Premiere Parkway, Suite 200 Duluth GA 30097  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

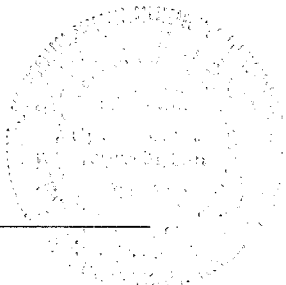
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

RMS

OATH OR AFFIRMATION

I, Scott Starowicz, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Ambata Securities, LLC, as of December 31, 2016, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



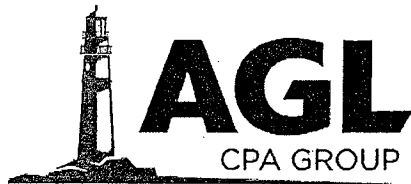
[Signature]  
Signature  
CFO  
Title

[Signature]  
Notary Public

- This report \*\* contains (check all applicable boxes):
- (a) Facing Page.
  - (b) Statement of Financial Condition.
  - (c) Statement of Income (Loss).
  - (d) Statement of Changes in Financial Condition.
  - (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
  - (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
  - (g) Computation of Net Capital.
  - (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
  - (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
  - (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
  - (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
  - (l) An Oath or Affirmation.
  - (m) A copy of the SIPC Supplemental Report.
  - (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

**AMBATA SECURITIES, LLC**  
**Financial Statements and Schedules**  
**For Year Ended December 31, 2016**  
**With**  
**Report of Independent Auditor**



AGL CPA Group, LLC  
Service + Expertise = Value  
2810 Premiere Pkwy, Ste. 200  
Duluth, GA 30097  
<http://aglcpa.com>

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members  
of Ambata Securities, LLC

We have audited the accompanying statement of financial condition of Ambata Securities, LLC as of December 31, 2016, and the related statements of loss and members' capital, and cash flows for the year then ended. These financial statements are the responsibility of Ambata Securities, LLC's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ambata Securities, LLC as of December 31, 2016, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

The computation of net capital under Rule 15c3-1 of the Securities and Exchange Commission, the computation for determination of reserve requirements under Rule 15c3-3 of the Securities and Exchange Commission, and the information relating to the possession or control requirements under Rule 15c3-3 of the Securities and Exchange Commission (collectively, the "supplemental schedules") has been subjected to audit procedures performed in conjunction with the audit of Ambata Securities, LLC's financial statements. The supplemental information is the responsibility of Ambata Securities, LLC's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

*AGL CPA Group, LLC*

February 6, 2017

**AMBATA SECURITIES, LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**December 31, 2016**

ASSETS

Cash and cash equivalents	\$ 50,821
Other assets	<u>8,135</u>
Total assets	<u>\$ 58,956</u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities:	
Accounts payable and accrued expenses	\$ 9,377
Due to affiliated company	<u>5,273</u>
Total liabilities	<u>14,650</u>
Member's Equity	<u>44,306</u>
Total liabilities and member's equity	<u>\$ 58,956</u>

The accompanying notes are an integral part of these financial statements.

**AMBATA SECURITIES, LLC**  
**STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

REVENUES:

Investment banking	<u>\$ 221,000</u>
Total revenues	<u>221,000</u>

EXPENSES:

Employee compensation and benefits	83,993
Commissions	36,900
Occupancy	49,875
Communications	7,372
Other operating expenses	<u>102,628</u>
Total expenses	<u>280,768</u>

NET (LOSS)	<u>\$ (59,768)</u>
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The accompanying notes are an integral part of these financial statements.

**AMBATA SECURITIES, LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Net loss	\$ (59,768)
Adjustments to reconcile net loss to net cash used by operating activities:	
Decrease in other assets	2,261
Increase in accounts payable and accrued expenses	632
Increase in due to affiliates	<u>3,743</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>6,636</u>
 <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>	
Member's contributions	<u>60,000</u>
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	60,000
 <b>NET INCREASE IN CASH</b>	 6,868
<b>CASH, at beginning of year</b>	<u>43,953</u>
<b>CASH, at end of year</b>	<u>\$ 50,821</u>

The accompanying notes are an integral part of these financial statements.

**AMBATA SECURITIES, LLC**  
**STATEMENTS OF CHANGES IN MEMBER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

Balance, December 31, 2015	\$ 44,074
Member's contributions	60,000
Net loss	<u>(59,768)</u>
Balance, December 31, 2016	<u>\$ 44,306</u>

The accompanying notes are an integral part of these financial statements.



**AMBATA SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS AND SCHEDULES**  
**December 31, 2016**

**CORPORATE ORGANIZATION AND BUSINESS**

The Company was formed March 4, 2004 as Vision Fuel Capital, LLC. In January 2005 its name was changed to Gyre Securities, LLC. In April 2010 its name was changed to Ambata Securities, LLC.

The Company is subject to the regulations of the Securities and Exchange Commission, Financial Industry Regulatory Authority and the securities division of the various states.

The Company's primary business is investment banking and investment advisory services.

The Company is wholly owned by Ambata Capital, LLC ("Member").

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Estimates:** The preparation of financial statements requires the use of certain estimates by management in determining the entity's assets, liabilities, revenues and expenses.

**Income Taxes:** The Company is organized as a Limited Liability Company. All income, losses, and tax credits flow through and are taxed in the income tax returns of its member.

The Company has adopted the provisions of FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes (FASB ASC 740-10). Under this Interpretation, the Company is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the respective position. A tax position includes an entity's status, including its status as a pass-through entity, and the decision not to file a tax return. The Company has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

The Company, which files income tax returns in the U.S. Federal jurisdiction and various state jurisdictions as a disregarded entity in the parent's tax return, is no longer subject to U.S. Federal income tax examination by tax authorities for years before 2013.

**Cash and Cash Equivalents:** The Company considers all cash and money market instruments with a maturity of 90 days or less to be cash and cash equivalents.

The Company maintains its demand deposits in high credit quality financial institutions. Balances at times may exceed federally insured limits.

**AMBATA SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS AND SCHEDULES**  
**December 31, 2016**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounts Receivable:** Accounts receivable are non-interest bearing uncollateralized obligations receivable in accordance with the terms agreed upon with each client.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all delinquent accounts receivable balances and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Generally, customer receivables are believed to be fully collectible; accordingly, no allowance for doubtful accounts is reflected in the accompanying financial statements.

**Date of Management's Review:** Subsequent events were evaluated through February 6, 2017, which is the date the financial statements were available to be issued.

**Revenue Recognition:** Investment banking fees and related commission expense are recorded at closing of the securities offering for which the Company is serving as investment banker.

Advisory fees are recorded as set forth in the engagement letter and upon the execution of a definitive agreement relating to a sale or acquisition transaction and the completion of certain activities as described in the engagement letter.

**NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2016, the Company had net capital of \$36,171 which was \$31,171 in excess of its required net capital of \$5,000 and its ratio of aggregate indebtedness to net capital was .41 to 1.0.

**RELATED PARTY TRANSACTIONS**

The Company operates from office facilities and utilizes personnel provided by a sister entity pursuant to expense sharing agreements. Under the terms of the expense sharing agreements, the Company pays substantially all of its expenses directly to vendors with the exception of payroll costs, occupancy costs for the office in Atlanta, and sundry expenses that are paid by the related entity and reimbursed by the Company. The leases for the office premises

**AMBATA SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS AND SCHEDULES**  
**December 31, 2016**

**RELATED PARTY TRANSACTIONS (CONTINUED)**

are held by the Company's member and have been informally assumed by the Company. The cost for rent to the member for 2016 was approximately \$53,000. The member may be dependent upon the resources of the Company to cover the lease obligations.

During 2016, approximately \$250,000 of expenses allocable to the Company under the agreements were paid to related parties. In addition, approximately \$185,000 was received from related parties for revenues.

Financial position and results of operations would differ from the amounts in the accompanying financial statements if these related party transactions did not exist.

**NET LOSS**

The Company had a significant loss in 2016 and a more significant loss in 2015. In 2016 and years prior to 2015, the Company was dependent upon capital contributions from its Member for working capital and net capital. Management believes that contracts in place at the end of December 2016 should enable the Company to improve its financial position during 2017. In addition, a representative of the Member has represented that the Member has the means and will to make capital contributions, if needed, to insure survival of the Company through at least January 1, 2018. Management expects the Company to continue as a going concern and the accompanying financial statements have been prepared on a going-concern basis without adjustments for realization in the event that the Company ceases to continue as a going concern.

**CONCENTRATION**

93% of the investment banking revenue for 2016 was earned from two customers.

**AMBATA SECURITIES, LLC**

**SCHEDULE I  
COMPUTATION OF NET CAPITAL UNDER  
RULE 15c3-1 OF THE SECURITIES  
AND EXCHANGE COMMISSION  
ACT OF 1934**

**December 31, 2016**

**COMPUTATION OF NET CAPITAL:**

Total member's equity	\$ 44,306
Less nonallowable assets	
Other assets	<u>(8,135)</u>
Net capital	<u>\$ 36,171</u>

**COMPUTATION OF AGGREGATE INDEBTEDNESS:**

Aggregate indebtedness liabilities	<u>\$ 14,650</u>
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**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT:**

Minimum net capital required	<u>\$ 5,000</u>
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<b>EXCESS NET CAPITAL</b>	<u>\$ 31,171</u>
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<b>RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL</b>	<u>.41 to 1.0</u>
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**RECONCILIATION WITH COMPANY'S COMPUTATION OF NET CAPITAL  
INCLUDED IN PART IIA OF FORM X-17A-5 AS OF DECEMBER 31, 2016**

There is no significant difference between net capital as reported in Form X-17A-5 and net capital as computed above.



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Duluth, GA 30097  
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Members  
of Ambata Securities, LLC

We have reviewed management's statements, included in the accompanying Exemption Report, in which (1) Ambata Securities, LLC identified the following provisions of 17 C.F.R. §15c3-3(k) under which Ambata Securities, LLC claimed an exemption from 17 C.F.R. §240.15c3-3: (k)(2)(i) (the "exemption provisions") and (2) Ambata Securities, LLC stated that Ambata Securities, LLC met the identified exemption provisions throughout the most recent fiscal year without exception. Ambata Securities, LLC's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Ambata Securities, LLC's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the provisions set forth in paragraph (k)(2)(i) of Rule 15c3-3 under the Securities Exchange Act of 1934.

*AGL CPA Group, LLC*

February 6, 2017

**AMBATA SECURITIES, LLC**

**SCHEDULE II  
COMPUTATION FOR DETERMINATION OF THE RESERVE REQUIREMENTS  
UNDER THE SECURITIES AND EXCHANGE COMMISSION RULE 15c3-3  
AND INFORMATION RELATING TO THE POSSESSION OR CONTROL  
REQUIREMENTS UNDER SECURITIES AND EXCHANGE COMMISSION RULE 15c3-3  
DECEMBER 31, 2016**

The Company is not required to file the above schedules as it is exempt from Securities and Exchange Commission Rule 15c3-3 under paragraph k(2)(i) of the rule and does not hold customers' funds or securities.



1201 Peachtree Street NE  
Building 400, Suite 1720  
Atlanta, GA 30361

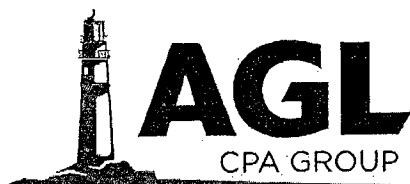
## **BROKER DEALERS ANNUAL EXEMPTION REPORT**

Ambata Securities, LLC claims an exemption from the provisions of Rule 15c3-3 under the Securities and Exchange Act of 1934, pursuant to paragraph (k)(2)(i) of the Rule.

Ambata Securities, LLC met the aforementioned exemption provisions throughout the most recent year ended December 31, 2016 without exception.

A handwritten signature in black ink, appearing to read "Scott Starowicz", is written over a horizontal line.

Scott Starowicz  
February 6, 2017



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INDEPENDENT ACCOUNTANT'S AGREED-UPON PROCEDURES REPORT ON SCHEDULE OF ASSESSMENT  
AND PAYMENTS (FORM SIPC-7)

To the Board of Directors and  
of Ambata Securities, LLC

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2016, which were agreed to by Ambata Securities, LLC (the "Company"), and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating Ambata Securities, LLC's compliance with the applicable instructions of Form SIPC-7. Ambata Securities, LLC's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1) Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences;
- 2) Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2016, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2016, noting no differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments noting no differences; and
- 5) Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

*AGL CPA Group, LLC*

February 6, 2017