



21004530

| OMB APPROVAL   |                  |
|----------------|------------------|
| OMB Number:    | 3235-0123        |
| Expires:       | October 31, 2023 |
| average burden |                  |
| response.....  | 12.00            |

**ANNUAL REPORT FOR PART III**

| SEC FILE NUMBER |
|-----------------|
| 8-39659         |

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 04/01/2020 AND ENDING 03/31/2021  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Thornhill Securities, Inc.

| OFFICIAL USE ONLY |
|-------------------|
| FIRM I.D. NO.     |

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

111 CONGRESS AVE., SUITE 1000

(No. and Street)

AUSTIN

TX

78701

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Chris Meyers

(212) 668-8700

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Alvarez & Associates, Inc. Certified Public Accountants

(Name - if individual, state last, first, middle name)

9221 Corbin Avenue, Suite 165 Northridge

CA

91324

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**

Certified Public Accountant

Public Accountant

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

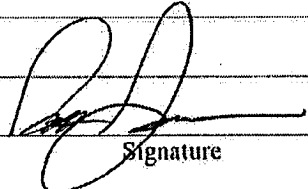
**FOR OFFICIAL USE ONLY**


\*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)

OATH OR AFFIRMATION

I, Scott Spencer, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Thornhill Securities, Inc. as of March 31, 2021, 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:

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

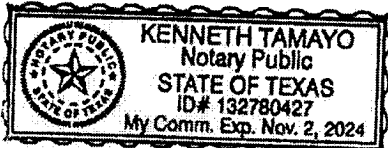
  
\_\_\_\_\_  
Signature  
\_\_\_\_\_  
CEO  
\_\_\_\_\_  
Title

  
\_\_\_\_\_  
Notary Public

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss) or, if there is other comprehensive income in the period(s) presented, a Statement of Comprehensive Income (as defined in §210.1-02 of Regulation S-X).
- (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).



**Thornhill Securities, Inc.**

---

**Report on Audit of Financial Statements  
and Supplementary Information**

**For the Year Ended March 31, 2021**



**ALVAREZ & ASSOCIATES, INC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To Those Charged with Governance and the Stockholder of Thornhill Securities, Inc.:

**Opinion on the Financial Statement**

We have audited the accompanying statement of financial condition of Thornhill Securities, Inc. (the "Company") as of March 31, 2021, and the related notes (collectively referred to as the "financial statement"). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of the Company as of March 31, 2021 in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

*Alvarez & Associates, Inc.*

Alvarez & Associates, Inc.

We have served as the Company's auditor since 2018.  
Northridge, California  
May 26, 2021



**Thornhill Securities, Inc.**  
For the Year Ended March 31, 2021

---

**Contents**

Report of Independent Registered Public Accounting Firm 1

**Financial Statements**

Statement of Financial Condition 2

Notes to Financial Statements 3 - 6

---

**Thornhill Securities, Inc.**

---

Statement of Financial Condition  
March 31, 2021**ASSETS**

|                                   |           |                         |
|-----------------------------------|-----------|-------------------------|
| Cash                              | \$        | 885,235                 |
| Accounts receivable               |           | 311,016                 |
| Prepaid expenses and other assets |           | <u>33,366</u>           |
| <b>TOTAL ASSETS</b>               | <b>\$</b> | <b><u>1,229,617</u></b> |

**LIABILITIES AND STOCKHOLDER'S EQUITY****LIABILITIES:**

|                                       |    |                      |
|---------------------------------------|----|----------------------|
| Accounts payable and accrued expenses | \$ | 65,054               |
| Due to related party                  |    | <u>22,530</u>        |
| <b>TOTAL LIABILITIES</b>              |    | <b><u>87,584</u></b> |

**STOCKHOLDER'S EQUITY:**

|   |           |                         |
|---|-----------|-------------------------|
| Common stock \$0.01 par value, 10,000,000 shares<br>authorized, 929,826 shares issued and outstanding |           | 9,288                   |
| Additional paid in capital  |           | 860,451                 |
| Retained Earnings   |           | <u>272,294</u>          |
| <b>TOTAL STOCKHOLDER'S EQUITY</b>   |           | <b><u>1,142,033</u></b> |
| <b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>   | <b>\$</b> | <b><u>1,229,617</u></b> |

See accompanying notes to financial statements

---

**Thornhill Securities, Inc.**

---

Notes to Financial Statements  
For the Year Ended March 31, 2021

**1. Organization and Nature of Business**

Thornhill Securities, Inc. (the "Company") is registered with the Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority, Inc. ("FINRA"), and the Securities Investor Protection Corporation ("SIPC"), and conducts business as a broker-dealer in the general securities business. In July of 2020, the Company was approved for a change in ownership by FINRA and "Realized Holdings Inc." the "Parent" became the sole-stockholder. The Company offers private placements transactions.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

These financial statements are presented on the accrual basis of accounting in accordance with generally accepted accounting principles ("GAAP") whereby revenues and expenses are recognized in the period earned or incurred.

**Cash**

The Company keeps all cash balances, in high quality institutions in order to minimize risk relating to exceeding insured limits. As of March 31, 2021, the Company held cash in excess of insured limits in the amount of \$504,713.

**Revenue Recognition**

Private Placement Revenue

Private placement revenue is derived from offerings in private investments in which the Company acts as broker or agent. The Company recognizes placement fees revenue upon the closing date of the underlying transaction. At this point, the parties have been identified, the revenue amount is known or is determinable, and the Company's performance obligations have been completed in accordance with the terms of the contractual agreement. As of March 31, 2021, the Company has no deferred revenues does not have any open contract balances.

Leases

The Company shares space with its Parent under an expense sharing agreement which is cancelable with reasonable notice. This agreement is not subject to ASC 842, Leases. The Company records rent expenses on a monthly basis.

---

---

**Thornhill Securities, Inc.**

---

---

Notes to Financial Statements  
For the Year Ended March 31, 2021

**Income Taxes**

The Company is included in the consolidated tax return of the Parent. The Company calculates the provision for income taxes by using a "separate return" method. Under this method, the Company is assumed to file a separate return with the tax authority, thereby reporting its taxable income or loss and paying the applicable tax to or receiving the appropriate refund from the Parent. The current provision is the amount of tax payable or refundable based on a hypothetical, current-year separate return. The Company provides deferred taxes on temporary differences and on any carryforwards that could be claimed on the Company's hypothetical return and assesses the need for a valuation allowance based on the projected separate return results.

The Company recognizes the effect of income tax positions taken or expected to be taken in a tax return only if those positions are more likely than not capable of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being sustained. Additionally, previously recognized tax positions that no longer meet the more-likely-than-not threshold should be derecognized in the first financial reporting period in which that threshold is no longer met. Changes in recognition or measurement will be reflected in the period in which the change in judgment occurs.

The Parent's tax returns are subject to examination by taxing authorities in the jurisdictions in which it operates in accordance with the normal statutes of limitations in the applicable jurisdiction. For federal purposes, the statute of limitations is three years. Accordingly, the Company is no longer subject to examination of federal returns filed more than three years prior to the date of these financial statements. The statute of limitations for Texas purposes is generally four years. Returns that were filed within the applicable statute remain subject to examination. As of March 31, 2021, the IRS has not proposed any adjustment to the Parent's tax position.

**Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Financial Instruments and Credit Risk**

Financial instruments that potentially subject the Company to credit risk include cash and cash equivalents, receivables from customers and broker-dealers or clearing organizations.

**Recent Accounting Pronouncements**

The Financial Accounting Standards Board (the "FASB") has established the Accounting Standards Codification ("Codification" or "ASC") as the authoritative source of generally accepted accounting principles ("GAAP") recognized by the FASB. The principles embodied in the Codification are to be applied by nongovernmental entities in the preparation of financial statements in accordance with GAAP in the United States. New accounting pronouncements are incorporated into the ASC through the issuance of Accounting Standards Updates ("ASU's").

For the year ending March 31, 2021, various ASU's issued by the FASB were either newly issued or had effective implementation dates that would require their provisions to be reflected in the financial statements for the year then ended.

The Company has either evaluated or is currently evaluating the implications, if any, of each of these pronouncements and the possible impact they may have on the Company's financial statements. In most cases, management has determined that the pronouncement has either limited or no application to the Company and, in all cases, implementation would not have a material impact on the financial statements taken as a whole.

---

**Thornhill Securities, Inc.**

---

Notes to Financial Statements  
For the Year Ended March 31, 2021

**3. Net Capital Requirements**

The Company is subject to the SEC uniform net capital rule (15c3-1), which requires the maintenance of a minimum amount of net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. Rule 15c3-1 also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. At March 31, 2021 the Company had net capital, aggregate indebtedness and net capital requirements of \$797,650, \$87,584, and \$5,839, respectively. The Company's ratio of aggregate indebtedness to net capital was 10.98 to 1.

**4. Commitments, Guarantees and Contingencies**

Management of the Company believes that there are no commitments, guarantees or contingencies that may result in a material loss or future obligations as of March 31, 2021.

Liquidity

The Company's operations for the year ended March 31, 2021 resulted in significant income, and was able to return additional paid in capital to its stockholder. The stockholder has pledged to continue to provide needed liquidity should the need arise to fund the Company's operations.

Litigation

The Company is subject to various claims and legal actions arising in the ordinary course of business. At March 31, 2021, the Company was not involved in any litigation or active legal actions.

---

---

**Thornhill Securities, Inc.**

---

---

Notes to Financial Statements  
For the Year Ended March 31, 2021

**5. Concentrations**

Financial instruments that potentially subject the Company to a concentration of credit risk principally consist of cash.

The Company had one registered representative that contributed 99% of total revenues during the year ending March 31, 2021.

**6. Income Taxes**

Because the Company was acquired by a new parent entity, the Company will be part of a consolidated income tax filing with the Parent going forward. The tax liability owed to the Parent by the Company has been included in the "Due to related party" balance stated on the Statement of Financial Condition. For the year ending March 31, 2021 this tax expense has been calculated to be \$772,244.

**7. COVID-19**

Management is currently evaluating the COVID-19 pandemic and its impact on the financial services industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the Company's operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**8. Subsequent Events**

The Company has evaluated events subsequent to the date of the statement of financial condition for items requiring recording or disclosure in the financial statements. The evaluation was performed through the date the financial statements were available to be issued. Based upon this review, the Company has determined that there was an event which took place that would have a material impact on its financial statements. On April 13, 2021, the Company disbursed \$750,000 to its Parent as a capital distribution.

**9. Related Party Transactions**

The Company has entered into an expense sharing arrangement with its Parent and incurs a monthly allocation of rent, wages and overhead costs from its Parent. Total costs allocated to the Company during the year ended March 31, 2021 were \$1,356,731. These amounts are primarily included in salaries and compensation related expenses and income tax expenses in the accompanying Statement of Income. This allocation was determined based upon the square footage needed by the Company to operate and the utilization of employee personnel to effectively manage the activities of the Company. As of March 31, 2021 the intercompany balance owed to its Parent was \$22,530, in accordance with the expense sharing agreement with Realized Holdings, Inc.

**Thornhill Securities, Inc.**

---

**Schedule of SIPC Assessment and Payments**

**For the Year Ended March 31, 2021**

**Thornhill Securities, Inc.**

---

**March 31, 2021**

Table of Contents

|   | <b><u>Page</u></b> |
|---|--------------------|
| Report of Independent Registered Public Accounting Firm                         | 1                  |
| Schedule of Securities Investor Protection Corporation Assessments and Payments | 2                  |
| SIPC-7 Form   | 3, 4               |



**ALVAREZ & ASSOCIATES, INC**  
**CERTIFIED PUBLIC ACCOUNTANTS**

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM  
ON APPLYING AGREED-UPON PROCEDURES**

To Those Charged with Governance and the Stockholder of Thornhill Securities, Inc.:

We have performed the procedures included in Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and in the Securities Investor Protection Corporation (SIPC) Series 600 Rules, which are enumerated below and were agreed to by Thornhill Securities, Inc. and the SIPC, solely to assist you and SIPC in evaluating Thornhill Securities, Inc.'s compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7) for the year ended March 31, 2021. Thornhill Securities, Inc.'s management is responsible for its Form SIPC-7 and for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with standards established by the Public Company Accounting Oversight Board (United States) and 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 Total Revenue amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended March 31, 2021 with the Total Revenue amount reported in Form SIPC-7 for the year ended March 31, 2021, noting no material differences;
- 3) Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4) Recalculated 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 or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Thornhill Securities, Inc.'s compliance with the applicable instructions of the Form SIPC-7 for the year ended March 31, 2021. Accordingly, we do not express such an opinion or conclusion. 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 Thornhill Securities, Inc. and the SIPC and is not intended to be and should not be used by anyone other than these specified parties.

*Alvarez & Associates, Inc.*

Alvarez & Associates, Inc.

Northridge, California  
May 26, 2021



**Thornhill Securities, Inc.**  
**Schedule of Securities Investor Protection Corporation**  
**Assessments and Payments**  
**For the Year Ended March 31, 2021**

|   | <u>Amount</u>  |
|---|----------------|
| <b>Total assessment</b>   | \$ 8,804       |
| SIPC-6 general assessment<br>Payment made on October 21, 2020             | (2,623)        |
| SIPC-7 general assessment<br>Payment made on May 13, 2021                 | <u>(6,147)</u> |
| <b>Total assessment balance payable<br/>(overpayment carried forward)</b> | <u>\$ 34</u>   |

**SIPC-7**

(36-REV 12/18)

**SECURITIES INVESTOR PROTECTION CORPORATION**

P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**SIPC-7**

(36-REV 12/18)

**General Assessment Reconciliation**

**March 31, 2021**

For the fiscal year ending March 31, 2021  
(Read carefully the instructions in the Working Copy before completing this Form)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5:

**THORNHILL SECURITIES, INC.**  
5906 OLD FREDERICKSBURG RD, STE 204  
AUSTIN, TX 78749

CRD: 22333/SEC#:8-39659

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

**Christopher Meyers 212-668-8700**

**WORKING COPY**

- 2. A. General Assessment (item 2e from page 2) \$ 8,804
- B. Less payment made with SIPC-6 filed (exclude interest) ( 2,623 )  
October 21, 2020  
Date Paid
- C. Less prior overpayment applied ( )
- D. Assessment balance due or (overpayment) 6,181
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum \_\_\_\_\_
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 6,181
- G. PAYMENT:  the box  
Check mailed to P.O. Box  Funds Wired  ACH  \$ 6,181  
Total (must be same as F above)
- H. Overpayment carried forward \$( )

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):  
\_\_\_\_\_  
\_\_\_\_\_

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

**THORNHILL SECURITIES, INC.**  
(Name of Corporation, Partnership or other organization)  
**Christopher Meyers**  
DN: cn=Christopher Meyers, o=thornhill, ou=thornhill, email=christophermeyers12@yahoo.com, c=US  
Date: 2021.05.25 14:18:52 -0400  
(Authorized Signature)  
**FINOP**  
(Title)

Dated the 25 day of May, 2021.

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

**SIPC REVIEWER** Dates:            Postmarked            Received            Reviewed             
Calculations            Documentation            Forward Copy             
Exceptions: \_\_\_\_\_  
Disposition of exceptions: \_\_\_\_\_

## DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period  
beginning April 1, 2020  
and ending March 31, 2021

| Item No.  | Eliminate cents     |
|---|---------------------|
| 2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)  | \$ <u>5,876,720</u> |
| 2b. Additions:  |                     |
| (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.  | _____               |
| (2) Net loss from principal transactions in securities in trading accounts.   | _____               |
| (3) Net loss from principal transactions in commodities in trading accounts.  | _____               |
| (4) Interest and dividend expense deducted in determining item 2a.  | _____               |
| (5) Net loss from management of or participation in the underwriting or distribution of securities.   | _____               |
| (6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.   | _____               |
| (7) Net loss from securities in investment accounts.  | _____               |
| Total additions   | _____               |
| 2c. Deductions:   |                     |
| (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products. | _____               |
| (2) Revenues from commodity transactions.   | _____               |
| (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.   | 7,499               |
| (4) Reimbursements for postage in connection with proxy solicitation.   | _____               |
| (5) Net gain from securities in investment accounts.  | _____               |
| (6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.  | _____               |
| (7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).   | _____               |
| (8) Other revenue not related either directly or indirectly to the securities business.<br>(See Instruction C):   | _____               |
| (Deductions in excess of \$100,000 require documentation)   |                     |
| (9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income.  | \$ <u>77</u>        |
| (ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).   | \$ _____            |
| Enter the greater of line (i) or (ii)   | 77                  |
| Total deductions  | 7,576               |
| 2d. SIPC Net Operating Revenues   | \$ <u>5,869,144</u> |
| 2e. General Assessment @ .0015  | \$ <u>8,804</u>     |

(to page 1, line 2.A.)