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3/27/02

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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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 JANUARY 1, 2001 ENDING DECEMBER 31, 2001
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
GOLDMAN LASS SECURITIES, INC.
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

20 SOUTH BROADWAY

YONKERS, NEW YORK 10701 (No. and Street)

(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
BARRY LASS 914-969-8080
(Area Code Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PAUL GAYNES, CPA

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

54 SUNNYSIDE BOULEVARD, PLAINVIEW, NY 11803

(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED

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APR 01 2002
THOMSON FINANCIAL

*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)

SEC 1410 (05-01) Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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3/27/2002

OATH OR AFFIRMATION

I, BARRY LASS, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GOLDMAN LASS SECURITIES, INC., as of DECEMBER 31, 2001, 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:

Barry Lass
Signature
Pres.
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 CASH FLOWS
- (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 15c3-3 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).

FINANCIAL STATEMENTS
GOLDMAN LASS SECURITIES, INC.
DECEMBER 31, 2001

INDEX TO THE FINANCIAL STATEMENTS

OF

GOLDMAN LASS SECURITIES, INC.

Facing Page

Independent Auditor's Report

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December 31, 2001

Exhibit B Statement of Income For The Year Ended
December 31, 2001

Exhibit C Statement of Cash Flows For the Year Ended
December 31, 2001

Exhibit D Statement of Changes in Stockholders' Equity
For the Year Ended December 31, 2001

Schedule 1 Computation of Net Capital Under S.E.C. Rule 15c3-1
As of December 31, 2001

Schedule 2 Schedule of Reconciliation of Net Capital
As of December 31, 2001

Notes to Financial Statements - December 31, 2001

Report on Internal Control - December 31, 2001

PAUL GAYNES
CERTIFIED PUBLIC ACCOUNTANT

PAUL GAYNES, CPA
DEBORAH CAPUTO, CPA

54 SUNNYSIDE BOULEVARD, PLAINVIEW, NEW YORK 11803
516/349-1331

INDEPENDENT AUDITOR'S REPORT

To the Officers and Directors of
Goldman Lass Securities, Inc.
Yonkers, New York

I have audited the accompanying statement of income of Goldman Lass Securities, Inc. as of December 31, 2001, the related statements of income, statement of cash flows, statement of changes in stockholders' equity for the year then ended and the supplementary information thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. These standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Goldman Lass Securities, Inc. as of December 31, 2001 and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements but is supplementary information required by Rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


PAUL GAYNES, CPA

Plainview, NY
February 20, 2002

GOLDMAN, LASS SECURITIES, INC.
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2001

Exhibit A

ASSETS

Cash	\$ 244,408
Receivable from brokers or dealers	74,140
Receivable from customers	489,223
Investment in securities-At market value	58,144
Other assets	<u>12,389</u>
 TOTAL ASSETS	 <u>\$ 878,304</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Payable to customers	<u>\$ 399,692</u>
 TOTAL LIABILITIES	 \$ 399,692

STOCKHOLDERS' EQUITY

Common stock	\$ 3,000
Paid in capital	53,709
Retained earnings	<u>421,903</u>
 TOTAL STOCKHOLDERS' EQUITY	 <u>478,612</u>
 TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	 <u>\$ 878,304</u>

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2001

Exhibit B

REVENUES

Commissions	\$ 19,440
Net loss on firm securities trading	(1,191)
Interest & dividend income	<u>70,514</u>

TOTAL REVENUES

\$ 88,763

EXPENSES

Rents & utilities	\$ 10,817
Telephone	3,847
Travel & Auto	688
Dues, subscriptions & assessments	1,575
Office supplies	14,194
Professional Fees	8,000
Insurance	12,947
Interest expense	3,652
Other expenses	40,371
Commissions	3,000
Promotion	<u>3,083</u>

Total Expenses

102,174

NET LOSS

\$(13,411)

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2001

Exhibit C

CASH FLOWS FROM OPERATING ACTIVITIES	
Net loss	\$(13,411)
Adjustments to reconcile net income to net cash:	
Decrease in securities-At market value	2,154
Decrease in receivable from customers	592,571
Decrease in payable to customers	(186,032)
Decrease in payable to brokers	(103,402)
Increase in receivable from brokers	<u>(74,140)</u>
Total Adjustments	<u>\$231,151</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$217,740</u>
NET DECREASE IN CASH & CASH EQUIVALENTS	\$ 217,740
CASH & CASH EQUIVALENTS-DECEMBER 31, 2000	<u>26,668</u>
CASH & CASH EQUIVALENTS-DECEMBER 31, 2001	<u>\$ 244,408</u>

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
 STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2001

Exhibit D

	<u>COMMON STOCK</u>	<u>PAID IN CAPITAL</u>	<u>RETAINED EARNINGS</u>	<u>STOCKHOLDER EQUITY</u>
BALANCES- DECEMBER 31, 2000	\$3,000	\$53,709	\$435,314	\$492,023
LOSS 2001	—	—	<u>(13,411)</u>	<u>(13,411)</u>
BALANCES- DECEMBER 31, 2001	<u>\$3,000</u>	<u>\$53,709</u>	<u>\$421,903</u>	<u>\$478,612</u>

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
STATEMENT OF CHANGES IN SUBORDINATED BORROWINGS
FOR THE YEAR ENDED DECEMBER 31, 2001

Exhibit E

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The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
 COMPUTATION OF NET CAPITAL
 UNDER S.E.C. RULE 15c3-1
 AS OF DECEMBER 31, 2001

Schedule 1

NET CAPITAL COMPUTATION

CREDIT FACTORS		
Common stock		\$ 3,000
Paid in capital		53,709
Retained earnings		<u>421,903</u>
Total Credit Factors		\$ 478,612
DEBIT FACTORS		
Other assets	\$12,389	
Haircuts on securities	<u>1,535</u>	
Total Debit Factors		<u>13,924</u>
NET CAPITAL		\$ 464,688
Less: Capital requirements greater of \$250,000 Or 6 2/3% of aggregate indebtedness		<u>\$ 250,000</u>
REMAINDER: NET CAPITAL IN EXCESS OF ALL REQUIREMENTS		<u>\$ 214,688</u>
Capital Ratio: (Maximum allowance 1500%)		
* Aggregate indebtedness	<u>\$ 399,692</u>	
	\$ 464,788	= 86%
* Aggregate indebtedness		
Payable to customers		\$ 399,692
Less: Customers reserve deposits		<u>-0-</u>
AGGREGATE INDEBTEDNESS		<u>\$ 399,692</u>
6 2/3% OF AGGREGATE INDEBTEDNESS		<u>\$ 26,647</u>

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
DETERMINATION OF RESERVE REQUIREMENT UNDER
RULE 15c3-3 AND INFORMATION RELATING TO THE
POSSESSION AND CONTROL REQUIREMENTS
AS OF DECEMBER 31, 2001

Schedule 2

1. Free credit balances & other balances in customers' securities accounts	\$ 169,307
	<u> </u>
TOTAL CREDITS	\$ 169,307
3. Debit balances in customers' cash & margin accounts excluding unsecured accounts & accounts doubtful of collection	<u>484,148</u>
EXCESS TO TOTAL DEBITS OVER TOTAL CREDITS	<u>\$ 314,841</u>
AMOUNT HELD ON DEPOSIT IN RESERVE BANK ACCOUNTS	<u>2,575</u>
AMOUNT REQUIRED TO BE HELD IN RESERVE BANK ACCOUNT	<u>-0-</u>
ADDITIONAL DEPOSIT REQUIRED	<u>-0-</u>

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
RECONCILIATION OF COMPUTATION OF NET CAPITAL
AS OF DECEMBER 31, 2001

Schedule 2A

Net capital per focus Report-X-17A-5 Part II	\$466,819
Adjustments increasing net capital:	
Correction of retained earnings & valuation of securities	<u>(2,031)</u>
NET CAPITAL PER AUDIT REPORT	<u>\$464,788</u>

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
STATEMENT OF CHANGES IN SUBORDINATED BORROWINGS
FOR THE YEAR ENDED DECEMBER 31, 2001

Exhibit E

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The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
SCHEDULE OF RESERVE REQUIREMENT RECONCILIATION
AS OF DECEMBER 31, 2001

Schedule 3

Reconciliation is not required. The Focus Report is identical to the auditor's report.

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
SCHEDULE OF RESERVE REQUIREMENT RECONCILIATION
AS OF DECEMBER 31, 2001

Schedule 3

Reconciliation is not required. The Focus Report is identical to the auditor's report.

The accompanying notes are an integral part of this statement.

GOLDMAN, LASS SECURITIES, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Goldman, Lass Securities, Inc. is a New York State corporation formed for the purpose of conducting business as a clearing/broker dealer in securities.

Securities transactions (and the related commission revenue and expenses) are recorded on a settlement date basis, generally the fifth business day following the transaction date.

Other items, such as open trades are not yet recorded because of terms of delivery and contingencies of a reasonably definite nature, would make no material change in the foregoing position.

NOTE 2 - INCOME TAXES

No provision has been made for income taxes, as the company's stockholder has elected that the company be treated as an "S" corporation according to the provision of federal and state corporation income tax codes.

NOTE 3 - CAPITAL RATIO

The capital ratio, as independently computed by our auditors, was 86% versus an allowable maximum of 1500% under the rules of the Securities and Exchange Commission. The firm's net capital required under S.E.C., Rule 15c3-3 was \$250,000. The net capital as computed was \$466,819, leaving capital in excess of requirements in the amount of \$214,788.

PAUL GAYNES
CERTIFIED PUBLIC ACCOUNTANT

PAUL GAYNES, CPA
DEBORAH CAPUTO, CPA

54 SUNNYSIDE BOULEVARD, PLAINVIEW, NEW YORK 11803
516/349-1331

To the Officers and Directors of
Goldman Lass Securities, Inc.
Yonkers, New York

Gentlemen

In planning and performing my audit of the financial statements of Goldman Lass Securities, Inc. for the year ended December 31, 2001, I considered its internal control structure, including procedures for safeguarding securities, in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by rule 17a-5 (g)(1) of the Securities and Exchange Commission, I have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by Goldman Lass Securities, Inc. that I considered relevant to the objectives stated in rule 17a-5(g)(1) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital rule under rule 17-a-3(ii) and the reserve required by rule 15-c(e);(2) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13; (3) in complying with the requirements for prompt payment for securities under Section 8 of Regulation T of the Board of Governors of the Federal Reserve System; and (4) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

The management of the Company is responsible for establishing and maintaining internal control structures and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected policies and procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commissions above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide management with reasonable, but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit preparation of financial statements in conformity with generally accepted accounting principles.

Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal control structure of the practices and procedures referred to above, errors or irregularities may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operations may deteriorate.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, I noted no matters involving the internal control structure, including procedures for safeguarding securities that I consider to be material weaknesses as defined above.

I understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on my study, I believe that the Company's practices and procedures were adequate at December 31, 2001 to meet the Commission's objectives.

Further, that no material differences existed between my computations and of your net capital, or determination of the reserve requirements, and your corresponding Focus Report Part II filing.

This report is intended solely for the use of management, the Securities and Exchange Commission, the National Association of Securities Dealers, Inc. and other regulatory agencies which rely on Rule 17a-5(g) under the Securities and Exchanges Act of 1934 and should not be used for any other purpose.

Very truly yours,



PAUL GAYNES, CPA

Plainview, New York
February 20, 2002