

BB  
3/6

1235

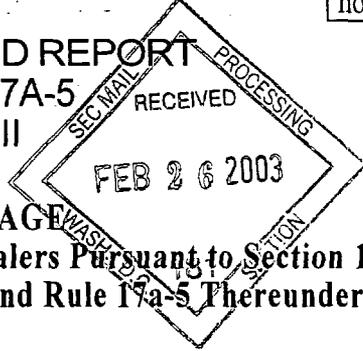
SECURIT



MISSION

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: September 30, 1998  
Estimated average burden  
hours per response ... 12.00

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



SEC FILE NUMBER  
8-37407

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 1/1/02 AND ENDING 12/31/02  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

RDSC, LLC

OFFICIAL USE ONLY  
FIRM ID. NO.

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

300 Main Street

(No. and Street)

Cincinnati

Ohio

45202

(City)

(State)

(Zip Code)

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

Louis B. DeTemple, President

513-621-2875

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

Joseph Decosimo and Company, PLL

(Name - If individual, state: last, first, middle name)

Atrium One, Suite 1515, 201 East Fourth Street

Cincinnati

Ohio

45202

(Address)

(City)

(State)

(ZIP Code)

CHECK ONE:

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

PROCESSED  
MAR 18 2003

FOR OFFICIAL USE ONLY  
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).

OATH OR AFFIRMATION

I, Louis B. DeTemple, President 513-621-2875, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of RDSC, LLC, as of

December 31, \_\_\_\_\_, 2002, 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:

\_\_\_\_\_  
*NONE*  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
*Louis B. DeTemple*  
Signature  
\_\_\_\_\_  
*President*  
Title

\_\_\_\_\_  
*Terry R. Myrick*  
Notary Public  
**TERRY R. MYRICK**  
Notary Public, State of Ohio  
My Commission Expires Sept. 21, 2007

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 Proprietor's 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).

**RDSC, LLC**  
**REPORT ON INTERNAL CONTROL**  
**December 31, 2002**

PAUL E. CHENEY, CPA  
JOSEPH F. DECOSIMO, CPA  
JERRY V. ADAMS, CPA  
BARRY L. HOFFMAN, CPA\*  
MARION G. FRYAR, CPA  
CHARLES BRADLEY EAST, CPA  
MICHAEL W. GENTRY, CPA  
L. BERNARD STONE, CPA\*  
LYMAN W. HODGE, CPA\*  
JACK E. SEGERS, CPA\*  
JOSEPH D. DECOSIMO, CPA\*  
ERNEST F. BAUGH, JR., CPA\*  
R. FREDERICK DECOSIMO, CPA\*  
J. THOMAS DECOSIMO, CPA\*  
KARL J. JORDAN, CPA\*  
CHARLES W. HENDRY, SR., CPA\*  
THOMAS P. EISEMAN, CPA\*  
WILLIAM R. RUSSELL, CPA\*  
CHARLES F. GROVES, III, CPA\*  
LYNN P. RODGERS, CPA\*  
BRYAN E. McALLISTER, CPA\*  
JAMES T. MORRISON, CPA\*  
JAMES S. JACKSON, CPA\*  
MARSHALL M. HARVEY, CPA\*  
\*NOT LICENSED IN OHIO

# JOSEPH DECOSIMO AND COMPANY

## CERTIFIED PUBLIC ACCOUNTANTS

AN OHIO REGISTERED  
LIMITED LIABILITY PARTNERSHIP

ASSOCIATED WORLDWIDE WITH  
JEFFREYS HENRY INTERNATIONAL

ATRIUM ONE - SUITE 1515  
201 EAST FOURTH STREET  
CINCINNATI, OHIO 45202

TELEPHONE OPERATOR  
513 579-1717 800 282-8382

AUTOMATED TELEPHONE  
513 579-1718 877 579-1718

FACSIMILE TRANSMISSION  
513 579-1729

[www.decosimo.com](http://www.decosimo.com)

MEMBER OF AICPA  
DIVISION FOR CPA FIRMS  
PCPS & SECPS

IRS. No 31-1344165

Management Board

RDSC, LLC

Cincinnati, Ohio

In planning and performing our audit of the financial statements and supplemental schedules of RDSC, LLC for the year ended December 31, 2002, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission, we have made a study of the practices and procedures followed by the company, including tests of compliance with such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the company does not carry securities accounts for customers or perform custodial functions relating to customers' securities, we did not review the practices and procedures followed by the company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule

17a-13 or in complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

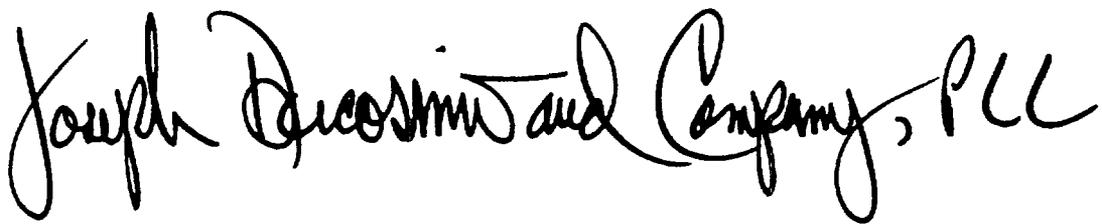
The management of the company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of controls, 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 Commission's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures referred to above are to provide management with reasonable, but not absolute, assurance that the 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 internal control or the practices and procedures referred to above, errors or fraud 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 operation may deteriorate.

Our consideration of internal control would not necessarily disclose all matters in internal control 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 components does not reduce to a relatively low level the risk that errors or fraud 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, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

We 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 our study, we believe that the company's practices and procedures were adequate at December 31, 2002 to meet the Commission's objectives.

This report is intended solely for the information and use of the management board, the Securities and Exchange Commission, the National Association of Securities Dealers and other regulatory agencies which rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Joseph DeCosimo and Company, PLLC". The signature is written in a cursive, flowing style.

Cincinnati, Ohio  
January 23, 2003