

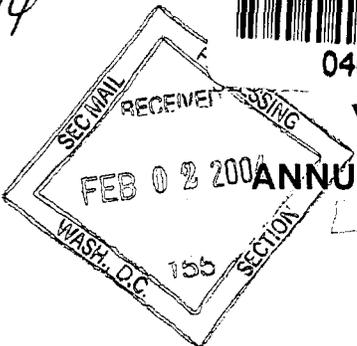
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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

VF 2-4-04

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

SEC FILE NUMBER  
8-44141

**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 01/01/2003 AND ENDING 12/31/2003  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

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

OFFICIAL USE ONLY  
FIRM I.D. NO.

348 CLIFTON AVENUE  
(No. and Street)  
CLIFTON NJ 07011  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
VINCENT S. COMPERATORE 973-365-1900  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
ROBERT G. PETERS  
(Name - if individual, state last, first, middle name)

790 BLOOMFIELD AVENUE CLIFTON NJ 07012  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

**PROCESSED**  
FEB 11 2004

**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)

082-10

OATH OR AFFIRMATION

I, VINCENT S. COMPERATORE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of VBC SECURITIES, LLC, as of DECEMBER 31, 2003, 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

[Handwritten Signature]
Signature

MANAGING MEMBER

Notary Public

Title

My Commission Expires February 22, 2006

[Handwritten 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 15c3-3 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).

Robert G. Peters, CPA

V.B.C. SECURITIES, LLC

Financial Statement

As at December 31, 2003

File No. 8-44141

Robert G. Peters, CPA

File No. 8-44141

Table of Contents

Opinion Letter

Balance Sheet

Statement of Income

Cash Flow Statement

Statement of Change in Financial Position

Statement of Change in Partnership Capital

Net Capital Computation / Supplemental Notes

Robert G. Peters  
790 Bloomfield Avenue  
Clifton, NJ 07012

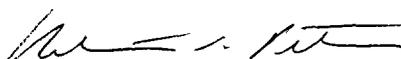
V.B.C. Securities, LLC  
348 Clifton Avenue  
P.O. Box 166  
Clifton, NJ 07011

Gentlemen:

I have audited the accompanying balance sheet of V.B.C. Securities, LLC, as of December 31, 2003, and the related statements of income, capital and cash flows for the year then ended. 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. Those 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 V.B.C. Securities, LLC as of December 31, 2003, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

  
\_\_\_\_\_  
Robert G. Peters, CPA

Clifton, New Jersey  
January 26, 2004

Robert G. Peters, CPA

File No. 8-44141

V.B.C. Securities, LLC  
Balance Sheet  
As At December 31, 2003

ASSETS

Current Assets:

Cash in bank and clearing agent	\$	54,889	
Market value of securities owned		0	
Commission receivable		28,439	
Good faith deposit		50,034	
Other clearing accounts		<u>1,146</u>	
Total Current Assets			134,508
			=====

LIABILITIES AND CAPITAL

Current Liabilities:

Accounts payable		<u>6,528</u>	
Total Current Liabilities	\$		6,528
Capital			127,980
Total Liabilities and Capital	\$		<u>134,508</u>
			=====

Robert G. Peters, CPA

File No. 8-44141

V.B.C. Securities, LLC  
Statement of Income

For the Period January 1, 2003 through December 31, 2003

Revenues:

Income-Commissions	\$336,179
Income-Non-commission	<u>17,738</u>
	\$353,917

Expenses:

Postage and mailings	\$ 2,178
Rent	21,376
Periodicals	2,881
Transfer costs	1,765

Equipment Rental	28,557
Adv & bus promotion	7,092
Insurance	150
Telephone	719
NJ Annual Report	50

Membership fees and dues	4,492
Salesmen's commissions	153,916
Transportation	1,676
Continuing education	91
Interest Expense	12,000

Stationary and supplies	3,656
Back office expense	42,000
Professional	600
Retirement, Pension	60,000
Repairs and maintenance	1,999
Utilities	<u>3,215</u>

Total Expenses	<u>348,413</u>
----------------	----------------

Net Income (loss)	\$ 5,504
	=====

V.B.C. Securities, LLC  
Cash Flow Statement  
For The Year Ended December 31, 2003

Cash flow from operations:

Net earnings	\$ 5,504
Adjustments to reconcile net earnings to net cash provided by operating activities	(0)
Changes in assets and liabilities	
Increase in clearing account	( 826)
Decrease in accounts payable	(2,649)
Increase in good faith deposit	( 51)
Increase in commission receivable	(5,148)
Partner draw in excess of contributions	<u>0</u>
Increase / <Decrease> in cash	(3,170)
Cash at beginning of year	<u>58,059</u>
Cash at end of year	\$ <u>54,889</u> =====

Robert G. Peters, CPA

File No. 8-44141

V.B.C. Securities, LLC  
Statement of Change in Financial Condition  
For the Period January 1, 2003 to December 31, 2003

	<u>12/31/2002</u>	<u>12/31/2003</u>
Current assets	\$ 131,653	\$ 134,508
Current liabilities	(9,177)	(6,528)
Net working capital	<u>\$ 122,476</u>	<u>\$ 127,980</u>
	=====	=====
Net working capital - Jan. 1	\$ 118,558	\$ 122,476
Increase in capital equity		
Jan. 1 - Dec. 31	(1)	0
Income for the period		
Jan. 1 - Dec. 31	3,919	5,504
Net working capital-Dec. 31	<u>\$ 122,476</u>	<u>\$ 127,980</u>
	=====	=====

Robert G. Peters, CPA

File No. 8-44141

V.B.C. Securities, LLC  
Statement of Changes in Partnership Capital  
For the Period January 1, 2003 through December 31, 2003

Capital January 1, 2003	\$ 122,476
Net Income Jan. 1, 2003 through Dec. 31, 2003	5,504
Contributions from Jan. 1, 2003 thru Dec. 31, 2003	0
Drawings from Jan. 1, 2003 thru Dec. 31, 2003	\$ 0
Capital December 31, 2003	\$ 127,980 =====

V.B.C. Securities, LLC  
Supplemental Notes  
As at December 31, 2003

Note 1. For the period January 1, 2003 through December 31, 2003, there were no liabilities subordinated to claim of creditors.

Note 2. V.B.C. Securities, LLC net capital and its required net capital computed in accordance with the capital rule applicable to it and were calculated as at December 31, 2003 at a ratio of .051 to 1. Computed as follows:

Partnership Capital		\$ 127,980	
Less: Capital deductions		( 0 )	
Net Capital before haircuts		\$ 127,980	
Less: Haircuts on securities:			
Investment securities	\$ 0		
Undue concentration	0		
Fail to receive	0	( 0 )	
Net Capital		\$ 127,980	=====
Aggregated indebtedness		6,528	=====
AI / NC		.051 to 1	

Note 3. Formula for Determination of Reserve Requirement for Brokers and Dealers Under SEC Rule 15c3, V.B.C. Securities, LLC is entitled to exemption from this rule because all customer transactions are cleared through another broker-dealer on a fully disclosed basis.

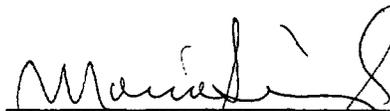
Note 4. There are no material differences with regard to computation of net capital under rule 15C3-3 between the corresponding unaudited most recent focus Part II filing and the audited annual statement.

V.B.C. Securities, LLC  
Supplemental Notes  
As at December 31, 2003

- Note 5. No material inadequacies were found to exist in the accounting system, in the internal control, in the procedures for safeguarding securities and in the practices and procedures employed in complying with rule 17-A-13 and in the resolution of securities differences.
- Note 6. Pursuant to rule 17-5 (f) (2), Robert G. Peters, CPA, 790 Bloomfield Avenue, Clifton, NJ 07012, has been selected as auditor on a continuing nature and providing for successive year audits, unless discontinued by either party in writing and with at least thirty days notice.
- Note 7. I, Vincent S. Comperatore, Managing Member, swear that, to the best of my knowledge and belief, the accompanying financial statements and supporting schedules pertaining to the firm of V.B.C. Securities, LLC as at December 31, 2003, are true and correct. I further swear that neither the company or any partner, proprietor, principal, officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

No exception.

  
\_\_\_\_\_  
Vincent S. Comperatore

  
\_\_\_\_\_  
Maria Sniezek  
Notary Public of the State of New Jersey  
My commission expires February 22, 2006.