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

FACING PAGE

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

RECEIVED
FEB 26 2004

REPORT FOR THE PERIOD BEGINNING 01/01/03 AND ENDING 12/31/03
MM/DD/YY MM/DD/YY

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SEC

A. REGISTRANT IDENTIFICATION

NAME OF BROKER - DEALER:

EROOM Securities, LLC

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

(No. and Street)

Chicago Illinois 60605
(City) (State) (Zip Code)

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

Michael Moore 312-341-4501

(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Robert Cooper & Company CPAs, P.C.

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

4460 Franklin Ave. Western Springs, IL 60558
(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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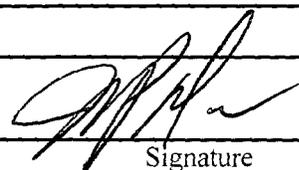
* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2).

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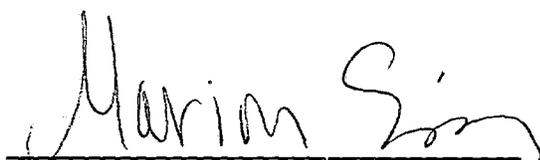
OATH OR AFFIRMATION

I, Michael Moore, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statements and supporting schedules pertaining to the firm of Eroom 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:


Signature

Managing Member

Title


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 Cash Flows.
- (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 of 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).*

EROOM SECURITIES, L.L.C.

FINANCIAL STATEMENTS

DECEMBER 31, 2003

EROOM Securities, L.L.C.
Annual Report
For the Year Ended December 31, 2003

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REPORT OF INDEPENDENT PUBLIC ACCOUNTANT

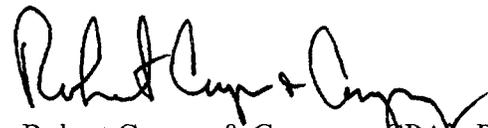
To the Members:
EROOM Securities, L.L.C.

We have audited the accompanying statement of financial condition of **EROOM Securities, L.L.C.** as of December 31, 2003, and the related statements of income, changes in members capital, and cash flows for the year ending December 31, 2003. These financial statements are the responsibility of the members. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 **EROOM Securities, L.L.C.** as of December 31, 2003, and the results of their operations and their cash flows for the year then ended in conformity with generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II 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 our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Robert Cooper & Company CPAs PC

February 23, 2004

EROOM Securities, LLC
 (An Illinois limited liability company)
 Statement of Financial Condition
 December 31, 2003

Assets

Cash	\$	469,355
Securities owned:		1,992
Marketable securities, at market value		9,565
Options, at fair value		11,557
Total securities owned		967,417
Due from broker dealer		399,391
Commission receivable		5,380
Fixed assets net of depreciation		3,300
Other Assets		
	\$	<u>1,856,400</u>
Total Assets		

Liabilities and Member's Equity

Liabilities	\$	0
Due from broker		
Securities sold short:		6,155
Marketable securities sold short, at market value		17,625
Options sold short, at fair value		16,858
Accrued liabilities		
		<u>40,638</u>
Total liabilities		
Member's equity		1,815,761
	\$	<u>1,856,399</u>
Total member's equity and Liabilities		

The accompanying notes to financial statements
 are an integral part of this statement

EROOM Securities, LLC
(An Illinois limited liability company)
Statement of Operations
For the year ended December 31, 2003

Revenues:	
Commissions	\$ 4,859,371
Interest and dividend income	345,979
Rebate on futures and stock execution	352,488
Trading income	-81,663
Total Revenue	<u>5,476,175</u>
Expenses:	
Interest Expense	8,610
Regulatory and other expenses	204,166
Seat lease	17,478
Rent expense	20,920
Dividend expense	50
Depreciation	13,379
Nominee trading fees	1,549,674
Technology & information expenses	67,983
Other operating expenses	376,901
Total expenses	<u>2,259,161</u>
Net Income	<u>\$ 3,217,014</u>

The accompanying notes to financial statements
are an integral part of this statement

EROOM Securities, LLC
(An Illinois limited liability company)
Statement of Changes in Member's Equity
For the year ended December 31, 2003

Member's capital, December 31, 2002	\$ 1,710,935
Capital contributions	
Capital withdrawals	(3,112,188)
Net income	3,217,014
Member's capital, December 31, 2002	<u>\$ 1,815,761</u>

The accompanying notes to financial statements
are an integral part of this statement

EROOM Securities, LLC
 (An Illinois limited liability company)
 Statement of Cash Flows
 For the year ended December 31, 2003

Cash Flows From Operating Activities:	
Net Income	\$ 3,217,014
Items not effecting cash flow to reconcile cash depreciation	13,379
Changes in assets and liabilities:	
Increase in securities owned	1,921,304
Increase in receivable from brokers and dealers	(1,238,774)
Increase in other assets	(41,951)
Increase in securities sold	(831,910)
Increase in accounts payable and accrued liabilities	19,055
Net Cash used in operating activities	<u>3,058,117</u>
Cash Flows From Investing Activities:	
Purchase of fixed assets	(5,460)
Purchase of preferred jbo stock	0
Net Cash used in investing activities	<u>(5,460)</u>
Cash Flows From Financing Activities	
Proceeds from capital contributions	0
Payments for capital withdrawals	(3,112,188)
Net cash provided by financing activities	(3,112,188)
Net change in cash and cash equivalents	(59,531)
Cash at December 31, 2002	528,886
Cash at December 31, 2003	<u>\$ 469,355</u>

The accompanying notes to financial statements
are an integral part of this statement

EROOM Securities, L.L.C.
Notes to Financial Statements
December 31, 2003

NOTE 1. ORGANIZATION

EROOM Securities, Limited Liability Company (The Company) was organized under the Uniformed Limited Liability Company Act of Delaware in June 1996. The company is registered as a foreign limited liability company doing business in the State of Illinois. The business of the Company is to engage in the executing of trades on organized exchanges in the United States. EROOM Securities, L.L.C. is registered as a broker dealer with the Securities and Exchange Commission (SEC) and is a member with the Chicago Board Options Exchange (CBOE) and the National Association of Securities Dealers (NASD). The Company is exempt from certain filing requirements under the Rule 15c3-1(a)(6) of the Securities and Exchange Commission, since the Company does not carry customer accounts, effects transactions only with other broker dealers, does not effect transactions in unlisted options and clears and carries its trading accounts with a registered clearing member of the Exchange.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In the normal course of business, the Company enters into transactions in exchange traded securities including options thereon for others. Securities and commission transactions together with related revenues and expenses are recorded on trade date. Securities owned are reflected at market value with the resulting unrealized gains and losses reflected currently in income.

Income Taxes.

A Limited Liability Company does not pay federal income taxes. The Company is treated for Federal and State income taxes as if it was a partnership reporting their income under the Sub Chapter K provision of the Internal Revenue Code of 1986. Each member is responsible for reporting their pro rata share of the profits or losses on their tax returns. The Company reports their income for taxes on a calendar year basis. The Company is subject to a 1.5% Illinois replacement tax.

Depreciation.

Depreciation is provided on a double declining balance following MACRS lives for all depreciable assets. The estimated useful lives are three years to five years for computers and related software.

Commissions

Commissions and related clearing expense are recorded on a trade-date basis as securities transactions occur.

Statement of Cash Flows

The Company has defined cash equivalents as highly liquid investments, with original maturities of less than ninety days, that are not for sale in the ordinary course of business.

EROOM Securities, L.L.C.
Notes to Financial Statements
December 31, 2003

NOTE 3. RELATED PARTY TRANSACTIONS:

Certain administrative and organizational activities were performed by a related party at no cost to the Company.

NOTE 4. RECEIVABLE FROM BROKER-DEALERS

Payable to broker-dealers at December 31, 2003 consist of:

Broker-dealers	\$967,417
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The amount due from broker-dealers is primarily from the selling of stock and stock options.

The Company clears all transactions through another broker dealer pursuant to a clearing agreement.

At December 31, 2003, substantially all assets of the Company are deposited with the clearing broker.

NOTE 5. Value of Financial Instruments

Substantially all of the Company's assets and liabilities are considered financial instruments as defined by Statement of Financial Accounting Standard No. 107 and are either already reflected at fair values, are short-term or replaceable on demand. Therefore, except for deposit for memberships and FOC Stock ownership, their carrying amounts approximate their fair value

NOTE 7. Commission receivable

Amount represents deposit at clearing firm for commissions earned on execution amount is collectible within 30 days.

NOTE 6. Securities Owned and Sold, but not yet purchased

Marketable securities owned and sold but not yet purchased consists of trading and investment securities at quoted market value, as illustrated below.

	Sold, not yet purchased
Stocks	\$6,155.00
Options	\$17,125.00
Total	\$23,780.00

EROOM Securities, L.L.C.
Notes to Financial Statements
December 31, 2003

NOTE 7. Derivative Financial Instruments

Derivative financial instruments used for trading purposes, including economic hedges of trading instruments, are carried at market value or, if market prices are not readily available, fair value. Market values for exchange-traded derivatives, principally futures and certain options, are based on quoted market prices. Fair values for over-the-counter derivative financial instruments, principally forwards, options, and swaps, are based on pricing models intended to approximate the amounts that would be received from or paid to a third party in settlement of the contracts.

Derivatives used for economic hedging purposes include swaps, forwards, futures, and purchased options. Unrealized gains or losses on these derivative contracts are recognized currently in the statement of income as trading revenues. The Company does not engage in activity in swaps or the forward market.

Financial Instruments and Fair Value of Financial Instruments," requires disclosures about the amounts, nature, terms and fair values of derivative financial instruments. The statements also requires that a distinction be made between financial instruments held or issued for trading purposes and financial instruments held or issued for purposes other than trading.

The Company invests in exchange traded options on stock for speculative purposes. These contracts are marked to market daily and involve elements of market and credit risk. The Company's contracts are all exchange-traded whereas the options clearing corporation acts as the counter party of the specific transactions and , therefore, bears the risk of delivery to and from the counter parties.

The Company does not apply hedge accounting as defined in FASB Statement 133, Accounting for Derivative Instruments and Hedging Activities, as all financial instruments are marked to market with changes in fair values reflected in earnings. Therefore, the disclosures required in paragraphs 44 and 45 of the statement are generally not applicable with respect to these financial instruments.

Fair value of options contracts are recorded in securities owned or securities sold, not yet purchased, as appropriate.

Premiums and unrealized gains and losses for written and purchased option contracts are recognized gross in the consolidated statement of financial condition.

EROOM Securities, L.L.C.
Notes to Financial Statements
December 31, 2003

NOTE 8 Financial Instruments Held or Issued for Trading Purposes

The Company trades in exchange traded equities, futures and equity options. The following table summarizes the components of income from proprietary trading transactions and includes the class of financial instruments included.

Equity activities (including equity shares, futures and options on stock)	\$(81,663)
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The following amounts disclosed represent the market or fair value of derivative financial instruments at December 31, 2003, and the average market of fair value calculated based upon month end amounts, during the year for those instruments:

	Fair Value		Average Fair Value	
	December 31, 2003		Year Ended	
	Asset	Liability	December 31, 2003	December 31, 2003
	Asset	Liability	Asset	Liability
Equity options	\$9,565	\$17,625	\$292,105	\$422,513

NOTE 9 NET CAPITAL REQUIREMENTS

As a registered broker-dealer, the Company is subject to the net capital rule of the Securities and Exchange Commission Uniform Net Capital rule (rule 15c-3-1). Under this rule, the Company is required to maintain "minimum net capital" equivalent to \$100,000 or 6 2/3 of "aggregate indebtedness," whichever is greater, as these terms are defined.

Net capital and aggregate indebtedness change day to day, but at December 31, 2003, the Company had net capital and net capital requirements of \$1,790,049 which was \$1,540,049 in excess of its required net capital of \$250,000. The Company's net capital ratio was .02% to 1. Net capital rule may effectively restrict the amount of capital withdrawals to the members.

NOTE 10 Commitments and Contingencies

The Company has no long term agreements which would require expenditures in future periods.

NOTE 11 Preferred Stock

The preferred stock is a non dividend paying restricted stock. The stock is considered unmarketable and is carried at cost which approximates fair value.

EROOM Securities, LLC
(An Illinois limited liability company)
COMPUTATION OF NET CAPITAL
PURSUANT TO UNIFORM NET CAPITAL RULE 15C3-1

December 31, 2003

Member's equity, December 31, 2002	\$ 1,815,761
Less:	
Non allowable assets	-8,680
Haircuts	-17,032
Undue concentration	0
 Net capital	 <u>1,790,049</u>
 Required net capital	 250,000
 Excess capital	 <u>\$ 1,540,049</u>
 Excess capital @ 1000%	 <u>\$ 1,788,363</u>

Note The above information on this schedule is in agreement, in all material respects, with the unaudited FOCUS Report, Part II filed by EROOM Securities, LLC as of December 31, 2003

The accompanying notes to financial statements
are an integral part of this statement

EROOM Securities, LLC
(An Illinois limited liability company)
COMPUTATION OF NET CAPITAL
PURSUANT TO UNIFORM NET CAPITAL RULE 15C3-1

December 31, 2003

COMPUTATION OF AGGREGATE INDEBTEDNESS

Aggregate Indebtedness

Items included in the balance sheet:

Accrued liabilities	\$ 16,858
Other	<u>0</u>
	<u><u>16,858</u></u>

Ratio: Aggregate Indebtedness to Net Capital **0.941762%**
to 1

The accompanying notes to financial statements
are an integral part of this statement

**EROOM Securities, LLC
COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS
AND INFORMATION RELATING TO POSSESSION AND CONTROL
REQUIREMENTS PURSUANT TO RULE 15c3-3**

December 31, 2003

**RESERVE COMPUTATION
(See note below)**

**INFORMATION FOR POSSESSION AND CONTROL REQUIREMENTS
(See note below)**

Note: The Company, is exempt from Rule 15c3-3, it does not transact a business in securities with, or for, other than members of a national securities exchange and does not carry margin amounts, credit balances or securities for any person defined as a "customer" pursuant to Rule 17a-5(c)(4). Accordingly, there are no amounts reportable under these sections.

**Independent Auditor's Report on Internal Control Structure Required
by SEC Rule 17a-5**

**To the Members:
EROOM Securities, L.L.C.**

In planning and performing our audit of the financial statements of **EROOM Securities, L.L.C.**, for the year ended December 31, 2003, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the consolidated 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, we have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by **EROOM Securities, L.L.C.** that we 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 under rule 17a-3(a)(11) and the reserve required by rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following. (1) in making the quarterly securities examinations, counts, verifications and comparisons, and (2) 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;

The management of the Company is responsible for establishing and maintaining an internal control structure 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 benefits and related costs of internal control structure 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 Commission's above-mentioned objectives. Two of the objectives of an internal control structure and the practices and procedures are to provide the owner 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 or 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 operation may deteriorate.

Our 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, we noted no matters involving the internal control structure, including procedures for safeguarding securities, that we consider to be material weaknesses as defined above.

The Company, because of its size and limited personnel, is unable to maintain an adequate separation of the various accounting functions. However, the officers of the Company informed me that they exercise close oversight of accounting records daily, thus offsetting the lack of separation of duties. The study and evaluation disclosed no condition that we believed to be a material weakness.

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, 2003, to meet the Commission's objectives.

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

Sincerely,



Robert Cooper & Company CPAs P.C.
February 23, 2004

OATH OR AFFIRMATION
REGARDING ACCURACY AND COMPLETENESS
OF FINANCIAL STATEMENTS AS OF FOR
THE YEAR ENDING DECEMBER 31, 2003

To the best of my knowledge and belief, the information contained herein is accurate and complete.



Michael Moore
EROOM Securities, LLC
Manager