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SECURITY



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

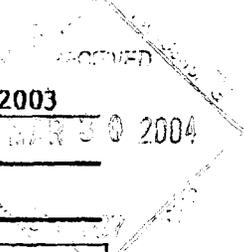
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SEC FILE NUMBER
B-52483

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 January 1, 2003 AND ENDING December 31, 2003  
MM/DD/YY MM/DD/YY



**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: GoNow Securities, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

880 W. 1st Street, Suite 314

(No. and Street)

Los Angeles,

California

90012

(City)

(State)

(Zip Code)

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

Max Lee Robinson, III

323-466-6948

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

George Brenner, CPA A Professional Corporation

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

10680 W. Pico Boulevard, Suite 260

Los Angeles, California

90064

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED  
APR 07 2004

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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)

Potential persons who are to 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.

OATH OR AFFIRMATION

I, Max Lee Robinson, III, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GoNow Securities, Inc., 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

[Signature]  
Signature  
Sr Vice President  
Title

SEE ATTACHED JURAT

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
- (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).

**JURAT**

State/Commonwealth of California }  
County of Orange } ss.



Subscribed and sworn to (or affirmed) before me  
this 24<sup>th</sup> day of February, 2004, by  
Date Month Year  
(1) M. L. Robinson, III  
Name of Signer #1  
(2) N/A  
Name of Signer #2

Stephanie J. Wiest  
Signature of Notary Public

Place Notary Seal and/or Any Stamp Above

Other Required Information (Printed Name of Notary, Residence, etc.)

**OPTIONAL**

*Though the information in this section is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Annual Audit Report

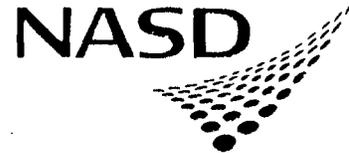
Document Date: undated Number of Pages: 2

Signer(s) Other Than Named Above: NONE

**RIGHT THUMBPRINT OF SIGNER #1**  
Top of thumb here

**RIGHT THUMBPRINT OF SIGNER #2**  
Top of thumb here

February 27, 2004



Max Robinson III  
GoNow Securities, Inc.  
880 W. 1<sup>st</sup> St., Suite 314  
Los Angeles, CA 90012

RE: Request for Annual Audit Extension

Dear Mr. Robinson:

On February 27, 2004, we received your letter dated February 26, 2004 and your auditor's letter dated February 24, 2004 requesting an extension of time within which to file your Annual Audit Report.

I understand the pertinent facts to be as follows:

Your request for an extension to is due to the fact that your auditor has not received all of the needed documentation from your previous bookkeeper and he needs additional time to complete a thorough and accurate audit.

Based on your assertion of the foregoing facts and pursuant to SEC Rule 17a-5, paragraph (a)(5), GoNow Securities, Inc. is hereby granted an extension of time of 30 calendar days in which to file its annual report of financial condition for the fiscal year ending December 31, 2003.

Sincerely,

A handwritten signature in black ink that reads "David S. Anderson". The signature is written in a cursive, flowing style.

David S. Anderson  
Supervisor

cc: Eleanor Sabalbaro  
NASD Member Reg. Systems Support  
9509 Key West Avenue  
Rockville, MD 20850  
Fax: 240-386-5163

George Brenner, CPA  
10680 W. Pico Blvd., Suite 260  
Los Angeles, CA 90064  
Fax: 310-202-6494

**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C.**

**ANNUAL AUDIT REPORT**

**DATE - DECEMBER 31, 2003**

**GO NOW SECURITIES, INC.  
880 W. 1<sup>st</sup> Street, Suite 314  
LOS ANGELES, CA 90012**

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### PART II

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**George Brenner, CPA**  
A Professional Corporation  
10680 W. PICO BOULEVARD, SUITE 260  
LOS ANGELES, CALIFORNIA 90064  
310/202-6445 – Fax 310/202-6494

REPORT OF INDEPENDENT AUDITOR

Board of Directors  
GoNow Securities, Inc.  
Los Angeles, California

I have audited the accompanying statement of financial condition of GoNow Securities, Inc. as of December 31, 2003 and related statements of income (loss), changes in shareholder's equity and cash flows for the year ended December 31, 2003. These financial statements are being filed pursuant to Rule 17a-5 of the Securities Exchange Act of 1934 and include the supplemental schedule of the net capital computation required by rule 15c3-1. These financial statements are the responsibility of GoNow Securities, Inc.'s management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. 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, such financial statements referred to above present fairly, in all material respects, the financial condition of GoNow Securities, Inc. as of December 31, 2003 and the results of its operations, shareholder's equity and cash flows and the supplemental schedule of net capital for the year then ended in conformity with accounting principles generally accepted in the United States of America.



George Brenner, CPA

Los Angeles, California  
March 29, 2004

**GO NOW SECURITIES, INC.**  
**STATEMENT OF FINANCIAL CONDITION**  
**AS OF DECEMBER 31, 2003**

**ASSETS**

Cash	\$ 6,316
Due from former officer, net of allowance for bad debts \$13,415	--
CRD account	<u>3,980</u>
Total assets	<u>\$ 10,296</u>

**LIABILITIES AND SHAREHOLDER'S EQUITY**

**Liabilities**

**Shareholder's equity**

Common stock	--
Additional paid-in capital	246,508
Accumulated deficit	<u>(236,212)</u>
Total liabilities and shareholder's equity	<u>\$ 10,296</u>

The accompanying notes are an integral part of these financial statements

**GONOW SECURITIES, INC.**  
**STATEMENT OF (LOSS)**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**Revenue**

Other revenue	\$ <u>101</u>
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**Operating Expenses**

Bad debt	13,415
Bank charges	110
Other expense	52
Professional fees	22,184
Regulatory expenses	4,076
Rent	<u>1,200</u>

Total expenses	41,037
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(Loss) before income tax	(40,936)
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Provision for income taxes	<u>--</u>
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Net (Loss)	<u><u>\$(40,936)</u></u>
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The accompanying notes are an integral part of these financial statements.

**GONOW SECURITIES, INC.**  
**STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Stock Shares</u>	<u>Common Stock</u>	<u>Paid-In Capital</u>	<u>Accumulated (Deficit)</u>	<u>Total</u>
Balance, December 31, 2002	--	\$ --	\$201,424	\$(195,276)	\$ 6,148
Capital Contributed	--	--	45,084		45,084
Net (Loss)	--	--		( 40,936)	(40,936)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance, December 31, 2003	<u>--</u>	<u>--</u>	<u>\$246,508</u>	<u>\$(236,212)</u>	<u>\$ 10,296</u>

The accompanying notes are an integral part of these financial statements.

**GO NOW SECURITIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

**Operating Activities**

Net loss from operations	\$ ( 40,936)
Increase in CRD account	( 3,980)
Cash Flow from Investing Activities	0
Cash Flow From Financing Activities	
Capital Contributed	<u>45,084</u>
Increase In Cash	168
Cash: Beginning of the Year	<u>6,148</u>
Cash: End of the Year	<u>\$ 6,316</u>
Supplemental Cash Flow Information:	
Cash paid for interest	<u>\$ 0</u>
Cash paid for income taxes	<u>\$ 0</u>

The accompanying notes are an integral part of these financial statements

**GO NOW SECURITIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2003**

**NOTE 1 - GENERAL AND ORGANIZATION**

GoNow Securities, Inc. (the Company) was organized in July 2000 as a Nevada corporation. The Company is a registered broker-dealer with the Securities Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). During 2003 the Company was inactive.

**NOTE 2 - NET CAPITAL REQUIREMENT**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital (\$5,000) and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 and that equity capital may not be withdrawn or a cash dividend paid if the resulting net capital ratio would exceed 10 to 1. See Page 4 for the calculation of net capital.

**NOTE 3 - DUE FROM FORMER OFFICER**

There was an alleged misappropriation of funds by the Company's former President. The matter is under investigation; however, the full amount has been reserved for possible uncollectability.

**NOTE 4 - SUBSEQUENT EVENT**

In January 2004 the Company's sole shareholder contributed an additional \$5,000 to increase net capital.

**NOTE 5 - USE OF ESTIMATES**

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.

**GO NOW SECURITIES, INC.**  
**COMPUTATION OF NET CAPITAL REQUIREMENTS PURSUANT**  
**TO RULE 15c3-1**  
**DECEMBER 31, 2003**

COMPUTATION OF NET CAPITAL

Total ownership equity from statement of financial condition	\$ 10,296
Less Nonallowable Asset: CRD account	<u>( 3,980)</u>
NET CAPITAL	<u>\$ 6,316</u>

COMPUTATION OF NET CAPITAL REQUIREMENTS

Minimum net aggregate indebtedness- 6-2/3 of net aggregate indebtedness	\$ 0
Minimum dollar net capital required	<u>\$ 5,000</u>
Net Capital required (greater of above amounts)	<u>\$ 5,000</u>
EXCESS CAPITAL	<u>\$ 1,316</u>

Excess net capital at 100% (net capital less 10% of aggregate indebtedness)	<u>\$ 6,316</u>
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COMPUTATION OF AGGREGATE INDEBTEDNESS

Total liabilities	<u>\$ 0</u>
Percentage of aggregate indebtedness to net capital	<u>NA</u>
Percentage of debt to debt-equity to total computed in accordance with Rule 15c 3-1(d)	NA

RECONCILIATION

The following is a reconciliation, as of December 31, 2003 of the above net capital computation with the Company's corresponding unaudited computation pursuant to Rule 179-5(d)(4):

Net capital per FOCUS report	\$6,166
Post closing bookkeeping adjustment	<u>150</u>
Net capital – Audited	<u>\$6,316</u>

The accompanying notes are an integral part of these financial statements.

**PART II**

**GO NOW SECURITIES, INC.**

**STATEMENT OF INTERNAL CONTROL**

**DECEMBER 31, 2003**

**George Brenner, CPA**  
A Professional Corporation  
10680 W. PICO BOULEVARD, SUITE 260  
LOS ANGELES, CALIFORNIA 90064  
310/202-6445 – Fax 310/202-6494

REPORT OF INDEPENDENT AUDITOR  
ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5

To the Board of Directors  
GoNow Securities, Inc.  
Los Angeles, California

In planning and performing my audit of the financial statements of GoNow Securities, Inc. (the "Company") for the year ended December 31, 2003, I have 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 practice and procedures (including tests of compliance with such practices and procedures) followed by the Company that I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. I did not review the practices and procedures followed by the Company: (1) in making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by Rule 17a-13;(2) 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; or (3) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

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 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 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 the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practice 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 degree of compliance with them may deteriorate.

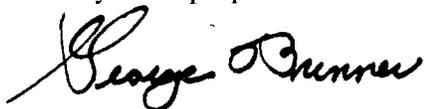
My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under the standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the 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 relationship 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.

As set forth in Note 1 "General and Organization" to my opinion dated February 26, 2004 I was unable to audit the related financial statements -- statement of income (loss), shareholder's equity and cash flows for the year ended December 31, 2003. However, the Company, was in compliance with the exemptive provisions of Rule 15c3-3 as of December 31, 2003 and no facts came to my attention indicating that such conditions had not been complied with during the year then ended.

Because of independence rules, my firm could not reconstruct the records. I understand the Company will engage a bookkeeping service that will reconstruct the records so the Company can be completely auditable.

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, 2003 to meet the Commission's objectives except as noted on the following page.

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 Exchange Act of 1934, and should not be used for any other purpose.



George Brenner, CPA

Los Angeles, California  
March 29, 2004

**GO NOW SECURITIES, INC.**  
**SCHEDULE OF FINDINGS AND ALLEGED MISAPPROPRIATION OF FUNDS**

For The Year Ended December 31, 2003

**CONDITION:** There was an alleged misappropriation of funds by the Company's former President (see Note 3 on the accompanying financial statements). Due to the turnover of Presidents, as well as change in bookkeepers and FINOPS three times during the year, this absence of management continuity may have contributed to the misappropriation.

**RESOLUTION:** The Company recently retained what I consider a qualified bookkeeper and if this new management remains in place, the internal controls should be adequate.