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SECUR...SSION

Washington, D.C. 20549

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

SEC FILE NUMBER
8-5727

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 01-01-04 AND ENDING 12-31-04  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Planned Financial Programs, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

734 Walt Whitman Road

(No. and Street)

Melville, N.Y.

11747

(City)

(State)

(Zip Code)

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

LT. Colonel M.A. Laitman, USAF RET

908-766-2522

(Telephone Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Kass & Jaffe, P.C.

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

1025 Westchester Avenue - White Plains,

NY

10604

(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 23 2005

THOMSON FINANCIAL

**FOR OFFICIAL USE ONLY**

\*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 (06-02)

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OATH OR AFFIRMATION

I, MILTON A. LAITMAN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of PLANNED FINANCIAL PROGRAMS, INC., as of DECEMBER 31, 2004, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Milton A. Laitman  
Signature

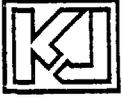
Rita S. Milo  
Notary Public

RITA S. MILO  
Notary Public, State of New York  
Registration #01M16019730  
Qualified in Westchester County  
My Commission Expires Feb. 16, 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 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).



**KASS & JAFFE, PC**  
CERTIFIED PUBLIC ACCOUNTANTS

1025 WESTCHESTER AVENUE  
WHITE PLAINS, NY 10604

TELEPHONE: 914-948-7800  
FAX: 914-948-7877

February 26, 2005

Securities and Exchange Commission  
450 Fifth Street N.W.  
Washington, D.C. 20549

Securities and Exchange Commission  
233 Broadway  
New York, New York 10279

NASD Regulation, Inc./Systems Support  
9509 Key West Avenue - 4<sup>th</sup> Floor  
Rockville, Maryland 20850  
Attention: Eleanor M. Sabalbaro

We have examined the financial statement of Planned Financial Programs, Inc., for the year ended December 31, 2004 and have issued our report thereon dated February 24, 2005. As a part of our examination, we made a study and evaluation of the Company's system of internal controls to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards and Rule 17a-5 of the Securities and Exchange Commission. This study and evaluation included the accounting system, the procedures for safeguarding securities, and the practices and procedures followed by the Company in making periodic computation of aggregate indebtedness and net capital under Rule 17a-3 (a) (11) and the reserve required by Rule 15c3-(e).

In our opinion, there are no material inadequacies in the internal control of Planned Financial Programs, Inc. as of December 31, 2004.

Very truly yours,

*Kass + Jaffe P.C.*

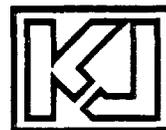
KASS & JAFFE, P.C.

Certified Public Accountants

PLANNED FINANCIAL PROGRAMS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2004



**KASS & JAFFE, PC**  
CERTIFIED PUBLIC ACCOUNTANTS

PLANNED FINANCIAL PROGRAMS, INC.

DECEMBER 31, 2004

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CERTIFIED PUBLIC ACCOUNTANTS

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FAX: 914-948-7877

Planned Financial Programs, Inc.  
734 Walt Whitman Road  
Melville, New York 11747

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying balance sheet of Planned Financial Programs, Inc., as of December 31, 2004 and the related statements of income and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. 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 in the United States of America. 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 also 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 Planned Financial Programs, Inc. as of December 31, 2004, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles in the United States of America.

*Kass & Jaffe, P.C.*

February 24, 2005

PLANNED FINANCIAL PROGRAMS, INC.

BALANCE SHEET  
DECEMBER 31, 2004

ASSETS

CURRENT ASSETS

Cash and equivalents	\$ 61,025
Commissions receivable	43,630
Other receivable	<u>425</u>

TOTAL ASSETS \$ 105,080

LIABILITIES AND STOCKHOLDER'S EQUITY

CURRENT LIABILITIES

Accrued expenses	\$ 53,073
Other payable	<u>1,020</u>

TOTAL CURRENT LIABILITIES \$ 54,093

STOCKHOLDER'S EQUITY

Capital stock (no par value, 200 shares issued and outstanding)	5,000
Retained earnings	<u>45,987</u>

TOTAL STOCKHOLDER'S EQUITY 50,987

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY \$ 105,080

See accompanying notes and independent auditors' report.

PLANNED FINANCIAL PROGRAMS, INC.

STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED DECEMBER 31, 2004

INCOME

Commissions	\$ 421,463
Less - commission expenses	<u>398,193</u>

TOTAL INCOME \$ 23,270

OPERATING EXPENSES

Stationery, printing, postage and office	1,986
Rent	<u>4,080</u>

TOTAL OPERATING EXPENSES 6,066

PROFIT FROM OPERATIONS 17,204

OTHER INCOME

Dividends and interest	<u>645</u>
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NET INCOME 17,849

RETAINED EARNINGS - Beginning 43,820

DISTRIBUTIONS (15,682)

RETAINED EARNINGS - Ending \$ 45,987

See accompanying notes and independent auditors' report.

PLANNED FINANCIAL PROGRAMS, INC.

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2004

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income \$ 17,849

Adjustments to Reconcile Net Income to  
Net Cash Used by Operating Activities:

Decrease in commissions receivable \$ 4,808  
Decrease in accrued expenses (6,686)  
Increase in accrued expenses 1,020

TOTAL ADJUSTMENTS TO NET INCOME (858)

NET CASH PROVIDED BY OPERATING ACTIVITIES 16,691

CASH FLOWS FROM FINANCING ACTIVITIES:

Distributions to stockholder (15,682)

NET INCREASE IN CASH AND CASH EQUIVALENTS 1,309

CASH AND EQUIVALENTS - BEGINNING 59,716

CASH AND EQUIVALENTS - ENDING \$ 61,025

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash paid during the period for:

Interest \$ -0-

Taxes \$ -0-

See accompanying notes and independent auditors' report.

PLANNED FINANCIAL PROGRAMS, INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Nature of Business

Planned Financial Programs, Inc. was incorporated in August of 1991. The Company's only source of income is from commissions on the sale of mutual funds.

Use of Estimates

The Company prepares their financial statements using generally accepted accounting principles (GAAP), which require management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are so near to their maturity that they present an insignificant risk of changes in value because of changes in interest rates to be cash equivalents.

Income Taxes

The Company has elected to file its income tax returns under the appropriate "S" Corporation provision of the Federal and State laws and, therefore, incurs no Federal income tax on its taxable income.

Concentrations

The Company received 87% of its commissions from three brokerage firms.

Allowance for Doubtful Receivables

The Company has no allowance for commissions' receivable. It considers commissions receivable to be fully collectible at year end.



**KASS & JAFFE, PC**  
CERTIFIED PUBLIC ACCOUNTANTS

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FAX: 914-948-7877

Planned Financial Programs, Inc.  
734 Walt Whitman Road  
Melville, New York 11747

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of changes in stockholder's equity and the computation of net capital are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the examination 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.

February 24, 2005

PLANNED FINANCIAL PROGRAMS, INC.

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2004

Stockholder's equity - December 31, 2003	\$ 48,820
Net income - Year ended December 31, 2004	17,849
Distributions	<u>(15,682)</u>
<u>STOCKHOLDER'S EQUITY - DECEMBER 31, 2004</u>	\$ <u>50,987</u>

See accompanying notes and supplementary report.

PLANNED FINANCIAL PROGRAMS, INC.

COMPUTATION OF NET CAPITAL  
AS OF DECEMBER 31, 2004

Cash in banks		\$ 61,025
Sundry assets		<u>44,055</u>
Total Assets		105,080
Less - current liabilities		<u>(54,093)</u>
Net capital before haircuts on securities		50,987
Haircuts		
Other securities		-0-
Undue concentration		<u>-0-</u>
<u>Net Capital</u>		50,987
Statutory net capital requirement	<u>\$5,000</u>	
Aggregate indebtedness	\$ <u>54,093</u>	
Aggregate indebtedness net capital requirements	<u>\$3,605</u>	
Higher of net capital requirements		<u>(5,000)</u>
EXCESS NET CAPITAL		\$ <u>45,987</u>

See accompanying notes and supplementary report.



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734 Walt Whitman Road  
Melville, New York 11747

We have examined the answers to the financial questionnaire to be filed with the Securities and Exchange Commission, Form X-17A-5 by Planned Financial Programs, Inc. as of December 31, 2004. Our examination was made in accordance with generally accepted auditing standards in the United States of America and, accordingly, included a review of the internal accounting control and of safeguarding customers' securities, and such other tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying answers to the financial questionnaire present fairly the financial position of Planned Financial Programs, Inc. at December 31, 2004 in conformity with generally accepted accounting principles applied on basis consistent with that of the preceding year.

*Kass + Jaffe P.C.*

February 24, 2005