

SECURITI



06007912

SION

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	October 31, 2004
Estimated average burden hours per response.....	12.00

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

SEC FILE NUMBER
8- 65174

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 1-1-05 AND ENDING 12-31-05  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:  
HAMMERMAN & STRICKLAND SECURITIES, LLC  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
18544 N DALE MABRY HWY

OFFICIAL USE ONLY
FIRM I.D. NO.

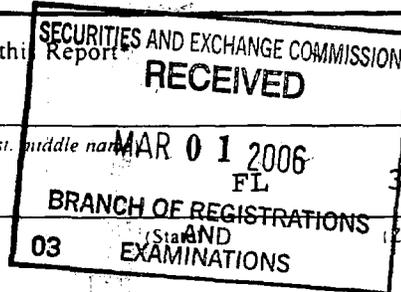
LUTZ FL 33548  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT 813-684-0933  
ROBERT J BOVA  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report  
ROBERT J BOVA PA

414 CHASTAIN RD SEFFNER 33584  
(Address) (City) (Zip Code)



CHECK ONE:

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

**PROCESSED**

**JUN 13 2006**

**THOMSON  
FINANCIAL**

<b>FOR OFFICIAL USE ONLY</b>

\*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)

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.

*me*  
*7/12*

OATH OR AFFIRMATION

I, MICHAEL STRICKLAND, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of HAMMERMAN & STRICKLAND SECURITIES LLC, as of DECEMBER 31, 2005, 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:

Handwritten signature of Michael Strickland

Signature

PARTNER

Title

Handwritten signature of Nancy L. Bova, 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 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 15c3-1 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. SEE NET CAPITAL REPORT
(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. SEE NOTES TO FINANCIAL STATEMENTS

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

INDEPENDENT AUDITOR'S REPORT

To the Partners  
Hammerman & Strickland Securities, LLC  
Tampa, Florida

We have audited the accompanying balance sheet of Hammerman & Strickland Securities, LLC as of December 31, 2005, and the related statements of income and expense, cash flows and changes in members' equity. 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. 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 Hammerman & Strickland Securities, LLC as of December 31, 2005 and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

February 23, 2006  
Tampa, Florida

A handwritten signature in black ink that reads "Robert J. Bova, P.A." The signature is written in a cursive style with a large, looping initial "R".

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL  
ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5**

In planning and performing our audit of the financial statements for the year ended December 31, 2005, we considered the internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing an 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, we have made a study of the practices and procedures (including tests of compliance) with such practices and procedures that we considered relevant to the four objectives if applicable stated in rule 17a-5(g)(1) in making the periodic computations of aggregate indebtedness (or aggregate debts) and net capital under rule 17a-3(a)(11) and the reserve required by 15c3-3(e); (2) in making the quarterly securities examinations, counts, and verifications and comparisons and the recording 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; and (4) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

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 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 preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures in the preceding paragraph.

Because of inherent limitations in any control structure or the practices and procedures referenced 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 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.

We understand that the practices that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purpose in accordance with the Securities Exchange Act of 1934 and the 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, 2005 to meet the Commission's objectives.

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



Ronald Bruce PA

# HAMMERMAN & STRICKLAND SECURITIES, LLC

BALANCE SHEET - DECEMBER 31, 2005

---

## ALLOWABLE ASSETS:

Cash \$ 4,100

## LIABILITY:

Accrued expense \$ 2,160

## CAPITAL:

Members' equity & net of withdrawals 11,940

Total liabilities & capital \$14,100

The notes which follow all the financial statements must be read for a more informed use, understanding and interpretation of this financial statement.

**HAMMERMAN & STRICKLAND SECURITIES, LLC**  
STATEMENT OF INCOME AND EXPENSE  
FOR THE YEAR ENDED DECEMBER 31, 2005

---

<b>REVENUES</b>	<u>\$66,884</u>
<b>EXPENSES:</b>	
Professional fees	2,220
Quarterly support fees	10,000
Regulatory fees	1,650
Other	<u>2,257</u>
Total expenses	<u>16,127</u>
<b>NET INCOME</b>	<u>\$50,757</u>

The notes which follow all the financial statements must be read for a more informed use, understanding and interpretation of this financial statement.

**HAMMERMAN & STRICKLAND SECURITIES, LLC**  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2005

---

<b>CASH FLOWS FROM OPERATIONS</b>	<b>\$50,637</b>
<b>MEMBERS' DISTRIBUTIONS</b>	<u><b>57,000</b></u>
<b>NET DECREASE IN CASH</b>	<b>(6,363)</b>
<b>CASH BALANCE, DECEMBER 31, 2004</b>	<u><b>20,463</b></u>
<b>CASH BALANCE DECEMBER 31, 2005</b>	<u><b>\$14,100</b></u>

The notes which follow all the financial statements must be read for a more informed use, understanding and interpretation of this financial statement.

---

**HAMMERMAN & STRICKLAND SECURITIES, LLC**  
STATEMENT OF CHANGES IN MEMBERS' EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2005

---

<b>MEMBERS' EQUITY, DECEMBER 31, 2004</b>	<b>\$ 18,183</b>
<b>NET EARNINGS 12-31-05</b>	<b>50,757</b>
<b>LESS: DISTRIBUTIONS</b>	<b><u>(57,000)</u></b>
<b>MEMBERS' EQUITY, DECEMBER 31, 2005</b>	<b><u>\$ 11,940</u></b>

The notes which follow all the financial statements must be read for a more informed use, understanding and interpretation of this financial statement.

---

**HAMMERMAN & STRICKLAND SECURITIES, LLC**

COMPUTATION OF NET CAPITAL

DECEMBER 31, 2005

---

**OWNERSHIP EQUITY, NET CAPITAL** \$11,940

There are no adjustments regarding non-allowable  
assets or for haircuts

Minimum required net capital 5,000

**EXCESS NET CAPITAL** \$ 6,940

NOTE: The net capital presented hereon concurs with the year-end Company  
prepared Focus Report. (Part IIA) net capital.

**HAMMERMAN & STRICKLAND SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2005**

---

**BASIS OF ACCOUNTING**

The Company's policy is to prepare financial statements on the basis of generally accepted accounting principles. This basis of accounting involves the application of accrual accounting, consequently, revenues and gains are recognized when earned and expenses and losses are recognized when incurred. Financial statement items are recorded at historical costs and they therefore do not necessarily represent current values.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

All transactions are recorded on a trade date as prescribed by generally accepted accounting principles, the SEC and NASD.

**AML COMPLIANCE PROGRAM**

The Company retained Lynn G. Hippner, CRCP of Registration Consultants, to test their firm's AML Compliance Program for the twelve-month period ending 9-30-05. This test was conducted for forming an opinion on the Anti-Money Laundering Program taken as a whole. The intent of the test was not to determine specific rule violations, but rather to determine the ability of the Program to permit the Company to adequately comply with relevant BSA, SEC, NASD and US Treasury rules.

**REGULATORY MATTERS**

There were no material inadequacies at December 31, 2005 in the Company's accounting system, or in procedures regarding computations, examinations, counts, verifications, comparisons and recordations under Rule 17a-13(a), 15c3-3(c), 17a-13 and 15c3-3. Please note the internal control opinion letter included herein.

**CONTINGENCIES**

There were no material contingent assets or liabilities brought to our attention during the course of our audit at December 31, 2005 or for the year then ended.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER 1	HAMMERMAN & STRICKLAND SECURITIES LLC	N3							100
-----------------------	---------------------------------------	----	--	--	--	--	--	--	-----

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY)	12-31-05	99
SEC FILE NO.	8-65174	98
Consolidated	<input type="checkbox"/>	198
Unconsolidated	<input checked="" type="checkbox"/>	199

	Allowable		Non-Allowable		Total
1. Cash .....	\$ 14,100	200			\$ 14,100 750
2. Receivables from brokers or dealers:					
A. Clearance account .....		295			
B. Other .....		300	\$ 550		810
3. Receivable from non-customers .....		355	600		955
4. Securities and spot commodities owned at market value:					
A. Exempted securities .....		418			
B. Debt securities .....		419			
C. Options .....		420			
D. Other securities .....		424			
E. Spot commodities .....		430			850
5. Securities and/or other investments not readily marketable:					
A. At cost \$ .....		130			
B. At estimated fair value .....		440	610		860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:					
A. Exempted securities \$ .....		150			
B. Other securities \$ .....		160			
7. Secured demand notes: .....		470	640		890
Market value of collateral:					
A. Exempted securities \$ .....		170			
B. Other securities \$ .....		180			
8. Memberships in exchanges:					
A. Owned, at market \$ .....		190			
B. Owned, at cost .....			650		
C. Contributed for use of the company, at market value .....			660		900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships .....		480	670		910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization .....		490	680		920
11. Other assets .....		535	735		930
12. TOTAL ASSETS .....	\$ 14,100	540	\$ 740		\$ 14,100 940

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

HAMMERMAN & STRICKLAND SECURITIES LLC

as of 12-31-05

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable .....	\$ <u>1045</u>	\$ <u>1255</u> <sup>13</sup>	\$ <u>1470</u>
14. Payable to brokers or dealers:			
A. Clearance account .....	<u>1114</u>	<u>1315</u>	<u>1560</u>
B. Other .....	<u>1115</u> <sup>10</sup>	<u>1305</u>	<u>1540</u>
15. Payable to non-customers .....	<u>1155</u>	<u>1355</u>	<u>1610</u>
16. Securities sold not yet purchased, at market value .....		<u>1360</u>	<u>1620</u>
17. Accounts payable, accrued liabilities, expenses and other .....	<u>2,160</u> <u>1205</u>	<u>1385</u>	<u>2,160</u> <u>1685</u>
18. Notes and mortgages payable:			
A. Unsecured .....	<u>1210</u>		<u>1690</u>
B. Secured .....	<u>1211</u> <sup>12</sup>	<u>1390</u> <sup>14</sup>	<u>1700</u>
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings: .....		<u>1400</u>	<u>1710</u>
1. from outsiders <sup>9</sup> \$ <u>970</u>			
2. includes equity subordination (15c3-1(d)) of ... \$ <u>980</u>			
B. Securities borrowings, at market value from outsiders \$ <u>990</u>		<u>1410</u>	<u>1720</u>
C. Pursuant to secured demand note collateral agreements .....		<u>1420</u>	<u>1730</u>
1. from outsiders \$ <u>1000</u>			
2. includes equity subordination (15c3-1(d)) of ... \$ <u>1010</u>			
D. Exchange memberships contributed for use of company, at market value .....		<u>1430</u>	<u>1740</u>
E. Accounts and other borrowings not qualified for net capital purposes .....	<u>1220</u>	<u>1440</u>	<u>1750</u>
20. TOTAL LIABILITIES .....	\$ <u>2,160</u> <u>1230</u>	\$ <u>1450</u>	\$ <u>2,160</u> <u>1760</u>
<b>Ownership Equity</b>			
21. Sole Proprietorship .....			<u>1770</u>
22. Partnership (limited partners) .....	<sup>11</sup> (\$ <u>1020</u> )		<u>11,940</u> <u>1780</u>
23. Corporation:			
A. Preferred stock .....			<u>1791</u>
B. Common stock .....			<u>1792</u>
C. Additional paid-in capital .....			<u>1793</u>
D. Retained earnings .....			<u>1794</u>
E. Total .....			<u>1795</u>
F. Less capital stock in treasury .....			<sup>16</sup> ( ) <u>1796</u>
24. TOTAL OWNERSHIP EQUITY .....			\$ <u>11,940</u> <u>1800</u>
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ <u>14,100</u> <u>1810</u>

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

HAMMERMAN & STRICKLAND SECURITIES LLC

For the period (MMDDYY) from  $\frac{1}{24}$  1-1-05 3932 to 12-31-05 3933  
 Number of months included in this statement 12 3931

### STATEMENT OF INCOME (LOSS)

#### REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....	\$	3935	3935
b. Commissions on listed option transactions .....	25	3938	3938
c. All other securities commissions .....		3939	3939
d. Total securities commissions .....		3940	3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange .....		3945	3945
b. From all other trading .....		3949	3949
c. Total gain (loss) .....		3950	3950
3. Gains or losses on firm securities investment accounts .....		3952	3952
4. Profit (loss) from underwriting and selling groups .....	26	3955	3955
5. Revenue from sale of investment company shares .....		3970	3970
6. Commodities revenue .....		3990	3990
7. Fees for account supervision, investment advisory and administrative services .....		3975	3975
8. Other revenue .....		3995	3995
9. Total revenue .....	\$	66,884	4030

#### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers .....			
11. Other employee compensation and benefits .....		4120	4120
12. Commissions paid to other broker-dealers .....		4115	4115
13. Commissions paid to other broker-dealers .....		4140	4140
13. Interest expense .....		4075	4075
a. Includes interest on accounts subject to subordination agreements .....	4070		
14. Regulatory fees and expenses .....		1,650	4195
15. Other expenses .....		14,477	4100
16. Total expenses .....	\$	16,127	4200

#### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....			
18. Provision for Federal income taxes (for parent only) .....	\$	50,757	4210
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....	28	4220	4220
a. After Federal income taxes of .....	4338		
20. Extraordinary gains (losses) .....		4224	4224
a. After Federal income taxes of .....	4239		
21. Cumulative effect of changes in accounting principles .....		4225	4225
22. Net income (loss) after Federal income taxes and extraordinary items .....	\$	50,757	4230

#### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....			
	\$	4211	4211

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

HAMMERMAN & STRICKLAND SECURITIES LLC

as of 12-31-05

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	11,940	3480
2. Deduct ownership equity not allowable for Net Capital .....	19	( )	3490
3. Total ownership equity qualified for Net Capital .....		11,940	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....			3520
B. Other (deductions) or allowable credits (List) .....			3525
5. Total capital and allowable subordinated liabilities .....	\$	11,940	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	17	\$	3540
B. Secured demand note delinquency .....			3590
C. Commodity futures contracts and spot commodities - proprietary capital charges .....			3600
D. Other deductions and/or charges .....			3610
7. Other additions and/or allowable credits (List) .....			3620
8. Net capital before haircuts on securities positions .....	20	\$	3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
A. Contractual securities commitments .....	\$		3660
B. Subordinated securities borrowings .....			3670
C. Trading and investment securities:			
1. Exempted securities .....	18		3735
2. Debt securities .....			3733
3. Options .....			3730
4. Other securities .....			3734
D. Undue Concentration .....			3650
E. Other (List) .....			3736
10. Net Capital .....	\$	11,940	3750

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

HAMMERMAN & STRICKLAND SECURITIES LLC

as of 12-31-05

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19) .....	\$	144	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	5,000	3760
14. Excess net capital (line 10 less 13) .....	\$	6,940	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	\$	11,724	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	2,160	3790
17. Add:			
A. Drafts for immediate credit .....	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$	3810	
C. Other unrecorded amounts (List) .....	\$	3820	
18. Total aggregate indebtedness .....	\$	2,160	3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) .....	%	18	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%		3860

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

**Part B**

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$	3970	3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	3880	3880
23. Net capital requirement (greater of line 21 or 22) .....	\$	3760	3760
24. Excess capital (line 10 less 23) .....	\$	3910	3910
25. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000 .....	\$	3920	3920

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
  2. 6 $\frac{2}{3}$ % of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

HAMMERMAN & STRICKLAND SECURITIES LLC

as of 12-31-05

### EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- |                                                                                                                                                         |                                     |      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 .....                                                                                           | <input checked="" type="checkbox"/> | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained .....                                                                | <input type="checkbox"/>            | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.<br>Name of clearing firm <sup>30</sup> ..... | <input type="checkbox"/>            | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) .....                                                                          | <input type="checkbox"/>            | 4580 |

### Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (See below for code )	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
4600	4601	4602	4603	4604	4605
4610	4611	4612	4613	4614	4615
4620	4621	4622	4623	4624	4625
4630	4631	4632	4633	4634	4635
4640	4641	4642	4643	4644	4645
Total \$ <sup>30</sup>			4699		

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

<b>WITHDRAWAL CODE:</b>	<b>DESCRIPTIONS</b>
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

HAMMERMAN & STRICKLAND SECURITIES LLC

For the period (MMDDYY) from 1-1-05 to 12-31-05

### STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .....	\$	15,400	4240
A. Net income (loss) .....		14,540	4250
B. Additions (Includes non-conforming capital of .....	\$		4260
C. Deductions (Includes non-conforming capital of .....	\$	(18,000)	4270
		)	
2. Balance, end of period (From item 1800) .....	\$	11,940	4290

### STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .....	\$		4300
A. Increases .....			4310
B. Decreases .....			4320
4. Balance, end of period (From item 3520) .....	\$		4330

OMIT PENNIES