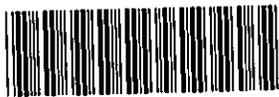


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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

SEC FILE NUMBER
8- 42156

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 01/01/06 AND ENDING 12/31/06
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Jacobson Steven Ronald
STEVEN R. JACOBSON, B/D

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
2600 NETHERLAND AVENUE, APT. 520
(No. and Street)

RIVERDALE, NEW YORK 10463
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
STEVEN R. JACOBSON (718) 884-8060
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

GREENE, ARNOLD G., CPA

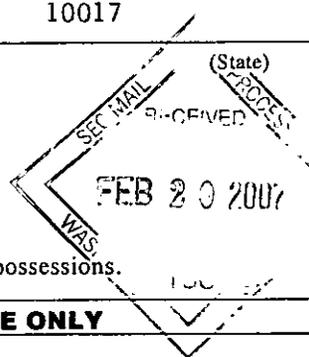
(Name - if individual, state last, first, middle name)

866 UNITED NATIONS PLAZA, N.Y. N.Y. 10017

(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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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)

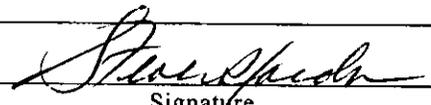
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Handwritten initials/signature

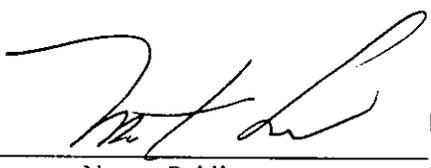
OATH OR AFFIRMATION

I, STEVEN R. JACOBSON, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of STEVEN R. JACOBSON, B/D

, as of DECEMBER 31, 2006, 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

PROPRIETOR
Title



Notary Public

MARTIN LERNER
Notary Public, State of New York
No. 01LE4600346
Qualified in Westchester County
Commission Expires Nov. 30, 2010

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.
- (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).

STEVEN R. JACOBSON, B/D

REPORT

FORM X-17A-5

DECEMBER 31, 2006

STEVEN R. JACOBSON, B/D

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DECEMBER 31, 2006

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ARNOLD G. GREENE

CERTIFIED PUBLIC ACCOUNTANT

866 UNITED NATIONS PLAZA

NEW YORK, N.Y. 10017

(212) 751-6910

FAX (212) 751-6911

INDEPENDENT AUDITOR'S REPORT

To the Sole Proprietor of

STEVEN R. JACOBSON, B/D

I have audited the accompanying statement of financial condition of Steven R. Jacobson, B/D as of December 31, 2006 and the related statements of income and expenses, changes in capital account, 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 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. 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 Steven R. Jacobson, B/D as of December 31, 2006, and the results of its operations and cash flows for the year then ended in conformity with generally accepted accounting principles, on a basis consistent with that of the preceding year.

Also, I have examined the supplementary schedules on pages 6 and 7 and, in my opinion, they present fairly the information included therein in conformity with the rules of the Securities and Exchange Commission.



February 9, 2007

STEVEN R. JACOBSON, B/D
STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2006

ASSETS

Current assets:

Cash	\$ 7,023
Accounts receivable	<u>8,333</u>

Total assets	<u>\$15,356</u>
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LIABILITIES AND OWNERSHIP EQUITY

Liabilities:

Accrued expenses payable	<u>\$ 750</u>
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Total liabilities	750
--------------------------	------------

Capital	<u>\$14,606</u>
----------------	------------------------

Total capital	<u>\$15,356</u>
----------------------	------------------------

See notes to financial statements.

STEVEN R. JACOBSON, B/D
STATEMENT OF INCOME AND EXPENSE
FOR THE YEAR ENDED DECEMBER 31, 2006

Revenues:

Fee income		\$ 8,333
Interest		<u>73</u>
	Total revenue	8,406

Expenses:

Registration and assessments	\$ 150	
Insurance	364	
Professional fees	<u>600</u>	
	Total expenses	<u>1,114</u>
	Net income	<u>\$7,292</u>

See notes to financial statements.

STEVEN R. JACOBSON, B/D
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2006

Resources provided:

Net income \$ 7,292

Total resources provided **\$7,292**

Resources applied:

Increase in accounts receivable \$8,333

Total resources applied **(8,333)**

Decrease (1,041)

Cash - January 1, 2006 8,064

Cash - December 31, 2006 \$ 7,023

See notes to financial statements.

STEVEN R. JACOBSON, B/D

STATEMENT OF CHANGES IN CAPITAL ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2006

Capital, January 1, 2006	\$ 7,314
Net income	<u>7,292</u>
Capital, December 31, 2006	<u>\$14,606</u>

STATEMENT OF CHANGES IN LIABILITIES

SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

FOR THE YEAR ENDED DECEMBER 31, 2006

Balance, January 1, 2006	\$ -0-
Increases and (decreases)	<u>-0-</u>
Balance, December 31, 2006	<u>\$ -0-</u>

See notes to financial statements.

STEVEN R. JACOBSON, B/D
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2006

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1. Organization - Steven R. Jacobson is a broker/dealer registered with the National Association of Securities Dealers (NASD) and conducts its business as a sole proprietorship. The Proprietorship is not a taxpaying entity for purposes of federal and state income taxes; however, any income or loss from the proprietorship is reported on the proprietor's individual federal and state tax return.
2. The following supplementary information is submitted:

Net capital as reported on page 7 of this audited Form X-17A-5 indicates net capital of \$6,273. In January 2007, the company filed part IIA of Form X-17A-5 (unaudited) and reported the same net capital of \$6,273.

STEVEN R. JACOBSON, B/D
COMPUTATION OF NET CAPITAL

DECEMBER 31, 2006

Capital		\$14,606
Less: non-allowable assets		<u>8,333</u>
Net capital		6,273
Greater of:		
Minimum dollar net capital required	<u>\$ 5,000</u>	
OR		
Minimum net capital required: (6 2/3% of aggregate indebtedness \$750)	<u>\$ 50</u>	<u>5,000</u>
Excess net capital		<u>\$ 1,273</u>

AGGREGATE INDEBTEDNESS

Accounts payable and accrued expenses, etc.	<u>\$ 750</u>
Percentage of aggregate indebtedness to net capital	<u>12%</u>

See notes to financial statements.

7

*No material differences existed at the time of computation.

STEVEN R. JACOBSON, B/D

RECONCILIATION OF NET CAPITAL WITH FOCUS REPORT

DECEMBER 31, 2006

Net capital per company's unaudited X-17A-5 Part IIA Filing (Focus Report)	\$ 6,273
: Audit Adjustments	<u>-0-</u>
Net capital per audited report, December 31, 2006	<u>\$ 6,273</u>

ARNOLD G. GREENE

CERTIFIED PUBLIC ACCOUNTANT

866 UNITED NATIONS PLAZA

NEW YORK, N.Y. 10017

(212) 751-6910

FAX (212) 751-6911

ACCOUNTANT'S REPORT ON INTERNAL ACCOUNTING CONTROL

To the Sole Proprietor of

Steven R. Jacobson, B/D

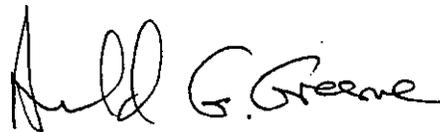
I have examined the financial statements of Steven R. Jacobson, B/D, for the year ended December 31, 2006 and have issued my report thereon dated February 9, 2007. As part of my examination, I made a study and evaluation of the system on internal accounting control to the extent I considered necessary to evaluate the system 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 of safeguarding securities, and the practices and procedures followed by the client (i) in making the periodic computations of aggregate indebtedness and net capital under Rule 17A-3 (a) (11), the broker is exempt from compliance with Rule 15c3-3, and was in compliance with the conditions of the exemption, and no facts came to my attention indicating that such conditions had not been complied with during the year (ii) the broker does not maintain customer accounts nor handle securities, and I have reviewed the broker's practices for safeguarding securities that may be received by the broker for transmittal to a clearing organization. Rule 17A-5 states that the scope of the study and evaluation should be sufficient to provide reasonable assurance that any material weakness existing at the date of my examination would be disclosed. Under generally accepted auditing standards and Rule 17A-5, the purpose of such study and evaluation are to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures necessary for expressing an opinion of the internal accounting control.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance concerning the safeguarding of assets against loss from unauthorized use or disposition and concerning the reliability of financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognized that the evaluation of these factors necessarily requires estimates and judgments by management. However, for the purposes of this report under Rule 17A-5, the determination of weakness to be reported was made without considering the practicability of corrective action by management within the framework of a cost/benefit relationship.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or

other personal factors. Control procedures whose effectiveness depends on segregation of duties can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates, projection or any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

My study and evaluation of the system of internal accounting control for the year ended December 31, 2006, which was made for the purposes set forth in the first paragraph above and would not necessarily disclose all weaknesses in the system that may have existed during the period, disclosed no weaknesses that I believe to be material.



February 9, 2007

END