



SEC

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MISSION

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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**

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: SYMPHONIC SECURITIES LLC

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

570 Lexington Avenue, 10th FL

(No. and Street)

New York, NY 10022

(City)

(State)

(Zip Code)

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

Dennis Young

212-702-3500

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Weisberg, Mole, Krantz & Goldfarb, LLP

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

17 West John Street Hicksville, NY 11801

(Address)

(City)

(State)

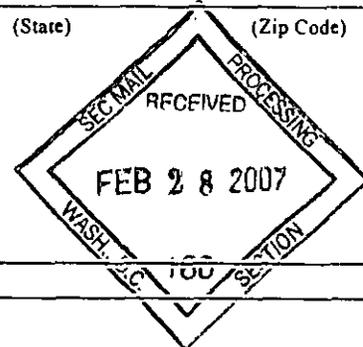
(Zip Code)

CHECK ONE:

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

MAR 21 2007

THOMSON  
FINANCIAL



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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)

AB\*  
3/15

AB  
3/20

OATH OR AFFIRMATION

I, Garrett D' Alessandro, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Symphonic Securities, LLC, as of 12/31, 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:

*N/A*

*Garrett D' Alessandro*

Signature

Chief Executive Officer + President

Title

*[Signature]*

Notary Public

NOTARY PUBLIC  
Sophia Dranes, Esq.  
Reg. No. 0275 1-077  
Qualification: 1st County  
Commission Expires Mar. 22, 2008

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 15c3-1 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).



**Weisberg, Molé, Krantz & Goldfarb, LLP**

*Certified Public Accountants*

**Independent Auditors' Report on Internal Accounting Control Required by SEC Rule 17a-5 for a Broker-Dealer Claiming an Exemption from SEC Rule 15c3-3**

To the Managing Member of  
Symphonic Securities LLC

In planning and performing our audit of the financial statements and supplemental schedules of Symphonic Securities LLC, (the Company) for the year ended December 31, 2006, we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under the rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of 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. Making the quarterly securities examinations, counts, verifications and comparisons.
2. Reconciliation of differences required by Rule 17a-13.
3. Complying with the requirements for prompt payment of securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control 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 controls 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 SEC's above-mentioned objectives. Two of the objectives of internal control 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 accounting principles generally accepted in the United States of America. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitation in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also projection of any evaluation of them to future periods is subjected 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 internal control would not necessarily disclose all matters in internal control 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 components does not reduce to a relatively low level the risk that misstatements caused by error or fraud 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 matter involving internal control, including control activities for safeguarding securities that we consider to be material weaknesses as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act 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, 2006, to meet the SEC's objectives.

This report is intended solely for the use of Management, the Securities and Exchange Commission and other regulatory agencies which rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers and is not intended to be and should not be used by anyone other than those specified parties.

*Wassberg, Mole, Kean & Goldfarb, LLP*

Hicksville, New York  
February 3, 2007

***SYMPHONIC SECURITIES LLC***

***STATEMENT OF FINANCIAL CONDITION***

***December 31, 2006***



**Weisberg, Molé, Krantz & Goldfarb, LLP**

*Certified Public Accountants*

INDEPENDENT AUDITORS' REPORT

To The Managing Member of  
Symphonic Securities LLC  
New York, New York

We have audited the accompanying statement of financial condition of Symphonic Securities LLC (the "Company") as of December 31, 2006, that you are filing pursuant to rule 17a-5 under the Securities exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted 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 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 statement referred to above presents fairly, in all material respects, the financial position of Symphonic Securities LLC at December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

*Weisberg, Molé, Krantz & Goldfarb, LLP*

Hicksville, New York  
February 3, 2007

**SYMPHONIC SECURITIES LLC**

**STATEMENT OF FINANCIAL CONDITION**

December 31, 2006

**ASSETS**

Cash	\$	24,813
Investments - Money market fund		222,381
Commissions receivable		28,429
Other		<u>19,278</u>
<b>Total assets</b>	<b>\$</b>	<b><u>294,901</u></b>

**LIABILITIES AND MEMBER'S EQUITY**

Accrued expenses and other payables	\$	<u>47,233</u>
<b>Total liabilities</b>	<b>\$</b>	<b><u>47,233</u></b>
 Member's Equity	 \$	 <u>247,668</u>
 <b>Total liabilities and member's equity</b>	 <b>\$</b>	 <b><u>294,901</u></b>

## SYMPHONIC SECURITIES LLC

Notes to Financial Statement  
December 31, 2006

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### General

Symphonic Securities, LLC (the "Company") was formed on July 28, 2005 for the purpose of conducting business as a registered broker/dealer in securities. The Company's registration was approved by NASD on June 20, 2006. The Company is a wholly owned limited liability company of Acebes, D'Alessandro and Associates, LLC ("ADA"). The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

#### Income Taxes

As a single member limited liability company, the Company's assets, liabilities, income and expenses are treated as if ADA directly owned these amounts for federal and state income tax purposes and, accordingly, the Company will generally not be subject to corporate income taxes. Rather, taxable items of income and deductible expenses are reflected on the tax return of ADA, its only member, which has elected to be treated as a partnership for income tax purposes. The members of ADA are then taxed on their proportionate share of the ADA's taxable income. However, New York City imposes an unincorporated business tax on partnerships and, as a result, the Company's taxable income is subject to New York City income taxes at the entity level as part of the ADA New York City unincorporated business tax return.

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents includes funds in bank checking accounts.

#### Credit and Off-Balance-Sheet Risk

The Company will receive its commission income from customer transactions on settlement date from its clearing brokers and, accordingly, will not be exposed to credit risk. Additionally, at December 31, 2006, the Company does not hold any financial instruments with off-balance-sheet risk. At certain times throughout the year the Company may maintain bank account balances in excess of federally insured limits.

### NOTE 2 - NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 8 to 1 during the first twelve months of operations. At December 31 2006, the Company had net capital of \$195,513, which was \$170,513 in excess of its required capital of \$25,000. The Company's net capital ratio was .24 to 1.

## **SYMPHONIC SECURITIES LLC**

Notes to Financial Statement

December 31, 2006

### **NOTE 3 - CUSTOMER PROTECTION RULE**

The Securities and Exchange Commission Customer Protection Rule (rule 15c3-3) sets out regulations concerning self-clearing firms. The Company expects to clear all of its customer transactions through outside brokers on a fully disclosed basis and, therefore plans on claiming exemption from these regulations under rule 15c3-3(k)(2). As a non-clearing firm, the Company does not intend to hold customer funds or securities.

### **NOTE 4 - INCOME TAXES**

As previously discussed, the Company, as a limited liability company will generally not be subject to federal and state corporate income taxes. However, New York City imposes an unincorporated business tax on partnerships and, accordingly, the Company's taxable income is subject to this New York City at the ADA level.

**END**