



SECURITIES AND EXCHANGE COMMISSION  
Washi. D.C. 20549  
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hours per response... 12.00

SECURITIES AND EXCHANGE COMMISSION

RECEIVED ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III  
MAY 15 2007

SEC FILE NUMBER  
8- 50389

DIVISION OF MARKET REGULATION  
Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

FACING PAGE

REPORT FOR THE PERIOD BEGINNING 1-1-06 AND ENDING 12-31-06  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:  
RETIREMENT SECURITIES, INC.  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
2454 McMULLEN BOOTH RD #D-607

OFFICIAL USE ONLY  
FIRM I.D. NO.

CLEARWATER FL 33759  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
ROBERT J BOVA 813-684-0933  
(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 FL 33584  
(Address) (City) (State) (Zip Code)

CHECK ONE:

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

PROCESSED  
JUN 25 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)

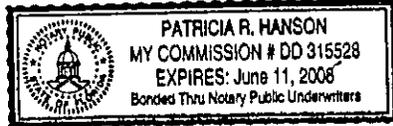
SEC 1410 (06-02)

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.

OATH OR AFFIRMATION

I, STANLEY J. FISHMAN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of RETIREMENT SECURITIES, INC, as of FEBRUARY 13 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:

*[Handwritten Signature]*  
Signature  
PRINCIPAL EXECUTIVE OFFICER  
Title



*[Handwritten Signature]*  
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 Stockholders' Equity or Partners' or Sole Proprietors' Capital.~~ 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).

**ROBERT J. BOVA, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS  
P.O. Box 20526 • Tampa, Florida 33622

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Retirement Securities, Inc.  
Clearwater, Florida

We have audited the accompanying balance sheet of Retirement Securities, Inc. as of December 31, 2006, and the related statements of income and expense, cash flows and changes in stockholders' 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 Retirement Securities, Inc. as of December 31, 2006 and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

February 7, 2007  
Tampa, Florida

*Robert J. Bova P.A.*

**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, 2006, 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.

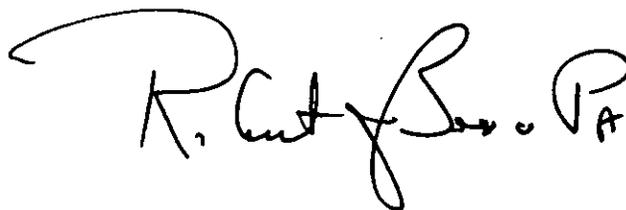
The management of the company is responsible for establishing and maintaining an internal control structure and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and 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, 2006 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.



R. Curtis Sorensen, CPA

**RETIREMENT SECURITIES, INC.**  
**BALANCE SHEET - DECEMBER 31, 2006**

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**ASSETS**

**ALLOWABLE ASSETS:**

Cash \$ 36,727

**NON-ALLOWABLE ASSETS:**

Receivables 159,154

**TOTAL** \$195,881

**LIABILITIES AND OWNERSHIP EQUITY**

**ACCOUNTS PAYABLE AND ACCRUED EXPENSES** \$ 112

**STOCKHOLDER'S EQUITY:**

Capital stock - common 86,300

Paid-in capital 15,000

Retained earnings 94,469

Total ownership equity 195,769

**TOTAL** \$195,881

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

**RETIREMENT SECURITIES, INC.**  
**STATEMENT OF INCOME AND EXPENSE**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

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<b>REVENUES</b>	<u>\$410,252</u>
<b>EXPENSES:</b>	
Payroll - officer	224,065
Regulatory fees	1,652
Other expenses	<u>211,910</u>
Total expenses	<u>437,627</u>
<b>NET INCOME (LOSS)</b>	<u><b>\$( 27,375)</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.

**RETIREMENT SECURITIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

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<b>CASH FLOWS FROM OPERATIONS</b>	<b>NONE</b>
<b>DECREASE IN CASH</b>	<b>\$ (23,294)</b>
<b>CASH BALANCE, DECEMBER 31, 2005</b>	<b><u>60,021</u></b>
<b>CASH BALANCE DECEMBER 31, 2006</b>	<b><u>\$36,727</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.

**RETIREMENT SECURITIES, INC.**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2006**

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<b>STOCKHOLDERS' EQUITY, DECEMBER 31, 2005</b>	<u><b>\$223,145</b></u>
Capital stock	86,300
Paid-in capital	15,000
Retained earnings	<u>94,469</u>
<b>STOCKHOLDERS' EQUITY, DECEMBER 31, 2006</b>	<u><b>\$195,769</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.

**RETIREMENT SECURITIES, INC.**  
COMPUTATION OF NET CAPITAL  
DECEMBER 31, 2006

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TOTAL OWNERSHIP EQUITY	\$195,769
Less - Non-allowable assets	<u>159,154</u>
NET CAPITAL	<u>\$ 36,615</u>

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

**RETIREMENT SECURITIES, INC.**  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2006

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**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 9-30-06. 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, 2006 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, 2006 or for the year then ended.

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	October 31, 2005
Estimated average burden hours per response.....	12.00

# Form X-17A-5

# FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

## PART IIA 12

*(Please read instructions before preparing Form.)*

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a)  16      2) Rule 17a-5(b)  17      3) Rule 17a-11  18  
 4) Special request by designated examining authority  19      5) Other  26

NAME OF BROKER-DEALER

SEC FILE NO.

8-50389 14

RETIREMENT SECURITIES INC. 13

FIRM I.D. NO.

43740 15

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FOR PERIOD BEGINNING (MM/DD/YY)

2454 McMULLEN BOOTH RD #D-607 20

1-1-06 24

(No. and Street)

AND ENDING (MM/DD/YY)

CLEARWATER 21 FL 22 33759 23

12-31-06 25

(City)

(State)

(Zip Code)

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

(Area Code) — Telephone No.

ROBERT J. BOVA 30

813-684-0933 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

34

35

36

37

38

39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 13th day of FEBRUARY 20 07

Manual signatures of:

- 1) [Signature]  
Principal Executive Officer or Managing Partner
- 2) [Signature]  
Principal Financial Officer or Partner
- 3) \_\_\_\_\_  
Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

Persons who 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.

**TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

ROBERT J BOVA PA

70

ADDRESS

414 CHASTAIN ROAD

SEFFNER

FL

33584

71

72

73

74

Number and Street

City

State

Zip Code

CHECK ONE

Certified Public Accountant

75

Public Accountant

76

Accountant not resident in United States  
or any of its possessions

77

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WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER <b>RETIREMENT SECURITIES INC.</b>	<b>N 3</b>			100
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### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY)	12-31-06	99
SEC FILE NO	8-50389	98
Consolidated	<input type="checkbox"/>	198
Unconsolidated	<input checked="" type="checkbox"/>	199

	Allowable	Non-Allowable	Total
1. Cash	\$ 36,727 200		\$ 36,727 750
2. Receivables from brokers or dealers:			
A. Clearance account	295		
B. Other	300	1,407 550	1,407 810
3. Receivable from non-customers	355	157,747 600	157,747 830
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	460	630	880
A. Exempted securities \$	150		
B. Other securities \$	160		
7. Secured demand notes:	470	640	890
Market value of collateral:			
A. Exempted securities \$	170		
E. 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	\$ 36,727 540	\$ 159,154 740	\$ 195,881 940

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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER **RETIREMENT SECURITIES INC.**

as of 12-31-06

## 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 .....	\$ 1045	\$ 1255	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115	1305	1540
15. Payable to non-customers .....	1155	1355	1610
16. Securities sold not yet purchased, at market value .....		1350	1620
17. Accounts payable, accrued liabilities, expenses and other .....	112 1205	1385	112 1685
18. Notes and mortgages payable			
A. Unsecured .....	1210		1690
B. Secured .....	1211	1390	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders, \$ 970			
2. includes equity subordination (15c3-1(d)) of ... \$ 980			
B. Securities borrowings, at market value from outsiders \$ 990		1410	1720
C. Pursuant to secured demand note collateral agreements		1420	1730
1. from outsiders \$ 1000			
2. includes equity subordination (15c3-1(d)) of ... \$ 1010			
D. Exchange memberships contributed for use of company, at market value .....		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes .....	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 112 1230	\$ 1450	\$ 112 1760
<b>Ownership Equity</b>			
21. Sole Proprietorship .....			\$ 1770
22. Partnership (limited partners) .....	(\$ 1020)		1780
23. Corporation,			
A. Preferred stock .....			1791
B. Common stock .....		86,300	1792
C. Additional paid-in capital .....		15,000	1793
D. Retained earnings .....		94,469	1794
E. Total .....		195,769	1795
F. Less capital stock in treasury .....		(1796)	1796
24. TOTAL OWNERSHIP EQUITY .....		\$ 195,769	1800
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....		\$ 195,881	1810

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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER    RETIREMENT SECURITIES INC.

For the period (MMDDYY) from: 1-1-06 3932 to 12-31-06 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 .....	\$	410,252	3935
	b. Commissions on listed option transactions .....	\$		3938
	c. All other securities commissions .....			3939
	d. Total securities commissions .....			3940
2.	Gains or losses on firm securities trading accounts			
	a. From market making in options on a national securities exchange .....			3945
	b. From all other trading .....			3949
	c. Total gain (loss) .....			3950
3.	Gains or losses on firm securities investment accounts .....			3952
4.	Profit (loss) from underwriting and selling groups .....	\$		3955
5.	Revenue from sale of investment company shares .....			3970
6.	Commodities revenue .....			3990
7.	Fees for account supervision, investment advisory and administrative services .....			3975
8.	Other revenue .....			3995
9.	Total revenue .....	\$	410,252	4030

#### EXPENSES

10.	Salaries and other employment costs for general partners and young stockholder officers .....		224,065	4120
11.	Other employee compensation and benefits .....			4115
12.	Commissions paid to other broker-dealers .....			4140
13.	Interest expense .....			4075
	a. Includes interest on accounts subject to subordination agreements .....		4070	
14.	Regulatory fees and expenses .....		1,652	4195
15.	Other expenses .....		211,910	4100
16.	Total expenses .....	\$	437,627	4200

#### NET INCOME

17.	Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....	\$	(27,375)	4210
18.	Provision for Federal income taxes (for parent only) .....	\$		4220
19.	Equity in earnings (losses) of unconsolidated subsidiaries not included above .....			4222
	a. After Federal income taxes of .....		4338	
20.	Extraordinary gains (losses) .....			4224
	a. After Federal income taxes of .....		4239	
21.	Cumulative effect of changes in accounting principles .....			4225
22.	Net income (loss) after Federal income taxes and extraordinary items .....	\$	(27,375)	4230

#### MONTHLY INCOME

23.	Income (current month only) before provision for Federal income taxes and extraordinary items .....	\$		4211
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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

RETIREMENT SECURITIES INC.

For the period (MMDDYY) from 1-1-06 to 12-31-06

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

1. Balance, beginning of period .....	\$	203,329	4240
A. Net income (loss) .....		(7,560)	4250
B. Additions (Includes non-conforming capital of .....	\$	4262	4260
C. Deductions (Includes non-conforming capital of .....	\$	4272	4270
2. Balance, end of period (From item 1800) .....	\$	195,769	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

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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT PART IIA

BROKER OR DEALER

RETIREMENT SECURITIES INC.

as of 12-31-06

## COMPUTATION OF NET CAPITAL

1	Total ownership equity from Statement of Financial Condition .....	\$	3480
2	Deduct ownership equity not allowable for Net Capital .....	(	3490
3	Total ownership equity qualified for Net Capital .....		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 .....	\$	3530
6	Deductions and/or charges:		
A.	Total non-allowable assets from		
	Statement of Financial Condition (Notes B and C) .....	\$	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 .....	\$	3630
9	Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):		36,615
A.	Contractual securities commitments .....	\$	3660
B.	Subordinated securities borrowings .....		3670
C.	Trading and investment securities:		
1.	Exempted securities .....		3735
2.	Debt securities .....		3733
3.	Options .....		3730
4.	Other securities .....		3734
D.	Undue Concentration .....		3650
E.	Other (List) .....		3736
10	Net Capital .....	\$	3740
			36,615
			3750

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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

RETIREMENT SECURITIES INC.

as of 12-31-06

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 7/8% of line 19) .....	\$	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) .....	\$	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	3760
14. Excess net capital (line 10 less 13) .....	\$	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	\$	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	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 .....	\$	3830
19. Percentage of aggregate indebtedness to net capital (line 18 + by line 10) .....	%	3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%	- 0 - 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
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
23. Net capital requirement (greater of line 21 or 22) .....	\$	3760
24. Excess capital (line 10 less 23) .....	\$	3910
25. Net capital in excess of the greater of		
A. 5% of combined aggregate debit items or \$120,000 .....	\$	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 7/8% 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.

END