



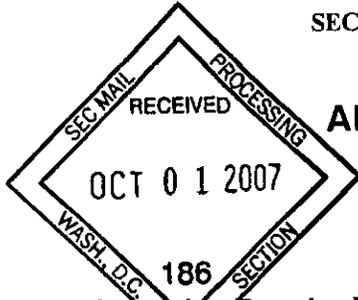
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Washington, D.C. 20549

OMB APPROVAL	
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Estimated average burden hours per response.....	12.00



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

SEC FILE NUMBER
8- 31654

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 8-1-06 AND ENDING 7-31-07  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: General Securities Corp.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

(No. and Street)

North Kansas City MO 64116

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
David S Miller 816-472-7170  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Bruce Culley CPA, PC

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

3000 Brooketree Lane Gladstone MO 64119

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

**PROCESSED**

**OCT 05 2007**

**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)

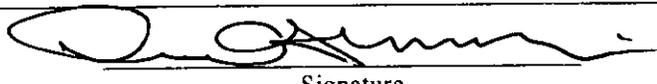
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OATH OR AFFIRMATION

David S. Miller

I, \_\_\_\_\_, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of General Securities Corp \_\_\_\_\_, as of 7-31, 20 07, 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:

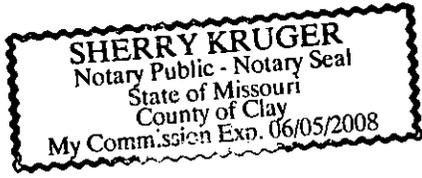
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature  
President

Title

  
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.
- (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).

**BRUCE D. CULLEY, C.P.A., P.C.**

3000 BROOKTREE LANE, SUITE 210

GLADSTONE, MISSOURI 64119

816-453-1040 • FAX: 816-453-0721

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Certified Public Accountants

Member Missouri Society of  
Certified Public Accountants

**GENERAL SECURITIES CORPORATION**

**INTERNAL CONTROL REPORT**

**FOR THE YEAR ENDED JULY 31, 2007**

**BRUCE D. CULLEY CPA, PC**  
3000 Brooktree Lane, Suite 210  
Gladstone, Mo. 64119  
(816) 453-1040

September 20, 2007

Board of Directors  
General Securities Corporation  
North Kansas City, Missouri 64116

In planning and performing my audit of the financial statements of General Securities Corporation (the Company) for the year ended July 31, 2007, I considered its internal control structure, including procedures for safeguarding securities in order to determine our auditing procedures for the purpose of expressing my 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, I have made a study of the practices and procedures (including tests of compliance with such practices and procedures) followed by General Securities Corporation that I considered relevant to the objectives stated in rule 17a-5 (g) (1) to make the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3 (a) (11) and the reserve required by rule 15c3-3 (e); (2) to make the quarterly securities examinations, counts, verifications, and comparisons and the recordation of differences required by rule 17a-13; (3) to comply 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) to obtain and maintain 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, management is required to make estimates and judgments to assess the expected benefits and related costs of internal control structure policies and procedures and of the practices and procedures referred in to the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission's above-mentioned objectives. The objective of an internal control structure and of the practices and procedures is to provide management with reasonable, but not absolute, assurance (1) that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and (2) 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 listed in the preceding paragraph.

Board of Directors  
General Securities Corporation  
September 20, 2007

Because of inherent limitations in any internal control structure or the practices and procedures referred to 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 the effectiveness of their design and operation may deteriorate.

My 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 AICPA. 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, I noted no matters involving the internal control structure, including procedures for safeguarding securities that I consider to be material weakness as defined above.

I understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 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 my study, I believe that the Company's practices and procedures were adequate at July 31, 2007, 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 that rely on Rule 17a-5 (g) under the Securities Exchange Act of 1934 and should not be used for any other purpose.

Respectfully submitted,



Bruce Culley  
Certified Public Accountant

**BRUCE D. CULLEY, C.P.A., P.C.**

3000 BROOKTREE LANE, SUITE 210

GLADSTONE, MISSOURI 64119

816-453-1040 • FAX: 816-453-0721

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**GENERAL SECURITIES CORPORATION**

**AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JULY 31, 2007**

# GENERAL SECURITIES CORPORATION

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**BRUCE D. CULLEY CPA, PC**  
3000 Brooktree Lane, Suite 210  
Gladstone, Mo. 64119  
(816) 453-1040

Independent Auditor's Report

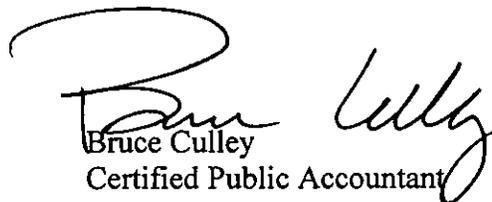
Board of Directors  
General Securities Corporation  
North Kansas City, Missouri

I have audited the accompanying statements of financial condition of General Securities Corporation as of July 31, 2007, and the related statements of income, changes in stockholders' equity, 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 auditing standards generally accepted in the United States. Those standards require that I 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 General Securities Corporation as of July 31, 2007, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I, II, and III is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 of the Securities and Exchange Commission. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

  
Bruce Culley  
Certified Public Accountant

Gladstone, Missouri  
September 20, 2007

**GENERAL SECURITIES CORPORATION**  
**STATEMENT OF FINANCIAL CONDITION**  
**JULY 31, 2007**

**ASSETS**

<b>ASSETS</b>	
Cash	\$ 30,967
Deposits with Clearing Organization	50,383
Receivable from Clearing Organizations	18,798
Securities Owned	
Marketable, at Market Value	68,757
Furniture, Equipment and Leasehold Improvements at Cost, less Accumulated Depreciation and Amortization of \$124,060	3,871
Deferred Taxes	10,656
Other Assets	<u>3,829</u>
Total Assets	<u>\$ 187,261</u>

**LIABILITIES AND STOCKHOLDERS' EQUITY**

<b>LIABILITIES</b>	
Payroll and Related Taxes	\$ 3,976
Accounts Payable and Accrued Expenses	32,973
Profit Sharing Payable	5,000
Income Tax Payable	<u>19,847</u>
Total Liabilities	61,796
<b>STOCKHOLDERS' EQUITY</b>	
Common Stock, 30,000 Shares Authorized 18,000 Issued and Outstanding, \$1.00 Par Value	28,000
Additional Paid in Capital	87,848
Retained Earnings	395,117
Treasury Stock	<u>(385,500)</u>
Total Stockholders' Equity	<u>125,465</u>
Total Liabilities and Stockholders' Equity	<u>\$ 187,261</u>

The accompanying notes are an integral part of the financial statements.

**GENERAL SECURITIES CORPORATION**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED JULY 31, 2007**

<b>REVENUE</b>	
Commissions	\$ 658,383
Interest	2,328
Other	<u>37,141</u>
Total Revenue	697,852
 <b>EXPENSES</b>	
Salaries	199,838
Clearance Brokerage	114,725
Commissions	156,850
Communications	5,629
Occupancy	39,835
Regulations and Fees	8,301
Profit Sharing Contribution	5,000
Payroll Taxes	12,979
Cleaning	1,560
Office Expense	10,858
Accounting and Audit	5,500
Insurance	31,152
Fines	668
Utilities	4,267
Depreciation	1,355
Dues and Publications	2,244
Postage and Shipping	2,655
Other Taxes	610
Advertising and Promotion	1,098
Charitable Contributions	50,500
Miscellaneous	<u>2,786</u>
Total Expenses	<u>658,410</u>
 Income (Loss) Before Income Taxes	 39,442
 Provision For Income Taxes	 <u>(12,931)</u>
 Net Income (Loss)	 <u>\$ 26,511</u>

The accompanying notes are an integral part of the financial statements.

**GENERAL SECURITIES CORPORATION**  
**STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**  
**FOR THE YEAR ENDED JULY 31, 2007**

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Treasury Stock</u>	<u>Retained Earnings</u>
Balance, July 31, 2006	\$ 28,000	\$ 87,848	\$ 385,500	\$ 368,606
Dividends				
Net Income (Loss)				26,511
Purchase Treasury Stock	_____	_____	_____	_____
Balance, July 31, 2007	<u>\$ 28,000</u>	<u>\$ 87,848</u>	<u>\$ 385,500</u>	<u>\$ 395,117</u>

The accompanying notes are an integral part of the financial statements.

**GENERAL SECURITIES CORPORATION**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JULY 31, 2007**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net Income (Loss)	\$ 26,511
Adjustments to Reconcile Net Income to Net Cash	
Provided by Operating Activities:	
Depreciation	1,354
(Increase) Decrease in Assets:	
Deposits with Clearing Organizations	(21)
Receivable from Broker, Dealers and Clearing Organizations	(11,569)
Deferred Tax Benefit	(6,286)
Marketable Securities	(38,071)
Increase (Decrease) in Liabilities:	
Payroll Related Payable	(5,224)
Accounts Payable and Accrued Expenses	25,977
Profit Sharing Payable	144
Income Tax Payable	6,629
Total Adjustments	<u>(27,067)</u>
Net Cash Provided (Used) by Operating Activities	(556)
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Acquisition of Furniture and Fixtures	(959)
 <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
	<u>0</u>
Net Increase (Decrease) in Cash	(1,515)
Cash, Beginning of Year	<u>32,482</u>
Cash, End of Year	<u><u>\$ 30,967</u></u>

The accompanying notes are an integral part of the financial statements.

**GENERAL SECURITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**JULY 31, 2007**

**NOTE 1 - NATURE OF BUSINESS**

General Securities Corporation is a broker/dealer located in North Kansas City, Missouri. The Corporation is primarily engaged in the buying and selling of securities, commodities, mutual funds and insurance products. The Corporation also engages in providing investment advisory services to its customers.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies of General Securities Corporation is presented to assist in understanding the Corporation's financial statements. The financial statements and notes are representations of the Corporation's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The Corporation prepares its financial statements on the accrual basis of accounting. Brokerage transactions of the Corporation are recorded on a trade date basis. Customer brokerage transactions are recorded on a settlement date basis. All related commission income and expenses are recorded on a trade date basis.

Cash

For the purposes of the statement of cash flows, the Corporation considers cash and restricted cash to be cash equivalents.

Marketable Securities, Owned

Marketable securities are valued at market value. The resulting difference between cost and market (or fair value) is included in income on the income statement. The Corporation's marketable securities owned at July 31, 2007, consisted of:

**GENERAL SECURITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JULY 31, 2007**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Marketable Securities, Owned - Continued

	<u>Owned</u>	<u>Sold But Not Yet Purchased</u>
U.S. Government and Agency	<u>\$ 68,757</u>	<u>\$ 0</u>

The Corporation clears all of its proprietary and customer transactions through another broker-dealer on a fully disclosed basis. The amount payable to the clearing broker relates to the aforementioned transactions and is collateralized by securities owned by the Corporation.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. Expenditures for maintenance and repairs are expensed as incurred. The cost of property, plant and equipment is depreciated over the estimated useful lives of the related assets. The cost of leasehold improvements is depreciated (amortized) over the lesser of the length of the related leases or the estimated useful lives of the assets. Depreciation is computed on an accelerated method for financial reporting purposes and for income tax purposes. Depreciation expense of \$1,355 was recorded for the year ended July 31, 2007. The Corporation's property, plant and equipment with related accumulated depreciation consisted of:

Office Equipment	\$ 51,469
Leasehold Improvements	7,793
Computer Equipment	<u>70,023</u>
Total	129,285
Accumulated Depreciation	<u>(125,414)</u>
Net Book Value	<u>\$ 3,871</u>

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are

**GENERAL SECURITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JULY 31, 2007**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED**

Income Taxes - Continued

recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The differences relate to timing differences when income and expenses are reported for tax and accounting purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

**NOTE 3 - DEPOSITS WITH CLEARING ORGANIZATIONS**

The Corporation maintains cash deposits with clearing organizations. The deposits are required as part of agreements disclosing that the organizations will act as clearing brokers for the Corporation. The clearing broker is Southwest Securities, Inc. The balance on deposit with Southwest Securities, Inc. at July 31, 2007, was \$50,383.

**NOTE 4 - EMPLOYEE BENEFIT PLAN**

The Corporation has a non-qualified employee medical reimbursement plan. The plan was designed to assist employees (participants) in providing for medical and dental bills. The employees contribute from their payroll checks through payroll deductions. The funds are deposited in a separately maintained cash account. There is also a separately recorded liability representing the funds contributed by employees. The balance of the liability at July 31, 2007, is \$100 and is included in accounts payable.

**GENERAL SECURITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JULY 31, 2007**

**NOTE 5 - OPERATING LEASES**

The Corporation leases commercial office space at 422 East Armour Road from Northtown Devco. The lease is a renewable non-cancelable three-year operating lease, expiring August 31, 2008. Occupancy expenses of \$39,835 were recorded for the year ended July 31, 2007. As of July 31, 2007, the aggregate future minimum lease payments for the remainder of the lease are:

<u>Years Ended July 31</u>	<u>Minimum Lease Payment</u>
2008	\$ 30,507
2009	<u>2,542</u>
Total	<u>\$ 33,049</u>

**NOTE 6 - CONCENTRATIONS OF CREDIT RISK**

The Corporation is engaged in various trading and brokerage activities in which counterparties primarily include broker-dealers and other financial institutions. In the event counterparties do not fulfill their obligations, the Corporation may be exposed to risk. The risk of default depends on the creditworthiness of the counterparty or issuer of the instrument. It is the Corporation's policy to review, as necessary, the credit standing of each counterparty.

**NOTE 7 - NET CAPITAL REQUIREMENTS**

The Corporation is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. The Corporation's minimum net capital requirement is \$50,000. As of July 31, 2007, the Corporation had net capital of \$105,348, which was in excess of the required amount by \$55,348.

**GENERAL SECURITIES CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS - CONTINUED**  
**JULY 31, 2007**

**NOTE 8 - RETIREMENT PLAN**

General Securities Corporation adopted a retirement plan effective August 1, 1995. The plan is a profit sharing/401K plan. To be eligible, employees must be at least 18 years of age, complete 1,000 hours of service per year, and have completed at least one year with the Corporation. Employees are allowed to make elective deferrals to the plan. The employer may make matching contributions to the accounts of all participants who make elective deferrals to the plan. Employee contributions to the plan are 100% vested at the time they are made. Employer contributions are fully vested after five years of service with the Corporation. The Corporation made matching contributions to the plan for the year ended July 31, 2007, of \$5,000.

**NOTE 9 - INCOME TAXES**

The Corporation uses the accrual method of accounting for income tax purposes. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of income taxes currently due plus deferred taxes. The deferred taxes represent future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

The deferred tax asset has been calculated as follows:

Deferred Tax Asset, July 31, 2006	\$ 4,370
Additions During Fiscal 2007	6,286
Used During Fiscal 2007	<u>0</u>
Deferred Tax Asset, July 31, 2007	<u>\$ 10,656</u>

**SUPPLEMENTARY SCHEDULES**

**GENERAL SECURITIES CORPORATION**  
**FINANCIAL AND OPERATION COMBINED UNIFORM SINGLE REPORT**

**SCHEDULE I**

**COMPUTATION OF NET CAPITAL**

1.	Total ownership equity from Statement of Financial Condition	125,465
		[3480]
2.	Deduct ownership equity not allowable for Net Capital	[3490]
3.	Total ownership equity qualified for Net Capital	125,465
		[3500]
4.	Add:	
	A. Liabilities subordinated to claims of general creditors allowable in computation of net capital	0
		[3520]
	B. Other (deductions) or allowable credits (List)	
	_____ [3525A] _____ [3525B]	
	_____ [3525C] _____ [3525D]	
	_____ [3525E] _____ [3525F]	0
		[3525]
5.	Total capital and allowable subordinated liabilities	125,465
		[3530]
6.	Deductions and/or charges:	
	A. Total nonallowable assets from Statement of Financial Condition (Notes B and C)	18,742
		[3540]
	B. Secured demand Note deficiency	[3590]
	C. Commodity futures contracts and spot commodities - proprietary capital charges	[3600]
	D. Other deductions and /or Charges	-18,742
		[3610] [3620]
7.	Other additions and/or credits (List)	
	_____ [3630A] _____ [3630B]	
	_____ [3630C] _____ [3630D]	
	_____ [3630E] _____ [3630F]	0
		[3630]
8.	Net capital before haircuts on securities positions	106,723
		[3640]
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:	

**GENERAL SECURITIES CORPORATION**  
**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT**

**SCHEDULE II**

1. Exempted securities		[3735]	
2. Debt Securities		[3733]	
3. Options		[3730]	
4. Other securities	1,375	[3734]	
<hr/>			
D. Undue Concentration		[3650]	
E. Other (List)			
	[3736A]	[3736B]	
	[3736C]	[3736D]	
	[3736E]	[3736F]	
		[3736]	1,375
			[3740]
<hr/>			
10. Net Capital			105,348
			[3750]

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT**

Part A

11. Minimum net capital required (6-2/3% of line 19)		4,119	
		[3756]	
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with <u>Note (A)</u>		50,000	
		[3758]	
<hr/>			
13. Net capital requirement (greater of line 11 or 12)		50,000	
		[3760]	
<hr/>			
14. Excess net capital (line 10 less 13)		55,348	
		[3770]	
<hr/>			
15. Excess net capital at 1000% (line 10 less 10% of line 19)		99,168	
		[3780]	

**COMPUTATION OF AGGREGATE INDEBTEDNESS**

16. Total A.1. liabilities from Statement of Financial Condition		61,796	
		[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)			

**GENERAL SECURITIES CORPORATION  
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF  
THE SECURITIES AND EXCHANGE COMMISSION  
JULY 31, 2007**

**SCHEDULE III**

Reconciliation with Corporation's Computation  
(Included in Part IIA of Form X-17A-5 as of July 31, 2007)

Net Capital, as reported in Corporation's Part IIA (Unaudited)	\$ 105,348
Net Audit Adjustments	<u>          0</u>
Net Capital per Audit	<u>\$ 105,348</u>