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

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	February 28, 2010
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<b>Annual Audited Report</b> <b>Form X-17A-5</b> <b>Part III</b>	<b>Information Required of Brokers and Dealers</b> Pursuant to Section 17 of the Securities Exchange Act of 1934 and Rule 17a-5 Thereunder	<b>Sec File No.</b> <u>8 - 28568</u>
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REPORT FOR THE PERIOD BEGINNING <u>01/01/08</u> AND ENDING <u>12/31/08</u>	MM/DD/YY	MM/DD/YY
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**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Associated Securities Corp. Official Use Only

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

222 N. Sepulveda Boulevard, Suite 1800  
(No. and Street)

<u>El Segundo</u> (City)	<u>CA</u> (State)	<u>90245</u> (Zip Code)
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NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

James Wallace 310-670-0800  
(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT (Whose opinion is contained in this Report\*)

Deloitte & Touche LLP  
(Name -- if individual, state last, first, middle name)

<u>695 Town Center Dr.</u> (Address)	<u>Costa Mesa</u> City	<u>CA</u> State	<u>92626</u> Zip Code	<u>SEC Mail Processing</u> Section
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CHECK ONE:

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

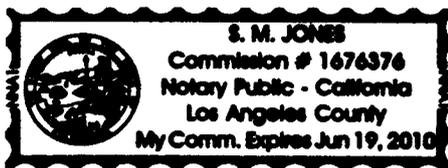
FEB 27 2009  
Washington, DC  
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\* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

OATH OR AFFIRMATION

I, James H. Wallace, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedules pertaining to Associated Securities Corp. (the "Company") as of December 31, 2008, and for the year then ended are true and correct. I further affirm that neither the Company nor any member, officer, or director has any proprietary interest in any account classified solely as that of a customer.



*[Handwritten Signature]*  
Signature

Controller  
Title

*[Handwritten Signature]*  
Notary Public

Table of Contents

This report contains (check all applicable boxes):

- Independent Auditors' Report.
- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Stockholder's Equity.
- (f) Statement of Changes in Liabilities Subordinated to the Claims of General Creditors. (Not Applicable)
- Notes to Financial Statements.
- (g) Schedule I: Computation of Net Capital for Brokers and Dealers Pursuant to Rule 15c3-1 under the Securities Exchange Act of 1934.
- (h) Schedule II: Computation for Determination of Reserve Requirements for Brokers and Dealers Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- (i) Schedule III: Information Relating to the Possession or Control Requirements Pursuant to Rule 15c3-3 under the Securities Exchange Act of 1934.
- (j) A Reconciliation, Including Appropriate Explanations, of the Computation of Net Capital under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements under Rule 15c3-3. (Not Applicable)
- (k) A Reconciliation between the Audited and Unaudited Statements of Financial Condition with Respect to Methods of Consolidation. (Not Applicable)
- (l) An Oath or Affirmation.
- (m) A Copy of the SIPC Supplemental Report. (Not Required)
- (n) A Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit. (Supplemental Report on Internal Control)
- (o) Segregation Requirements and Funds in Segregation for Customers Trading on U.S. Commodity Exchanges Pursuant to Section 4d(2) under the Commodity Exchange Act. (Not Applicable)

## INDEPENDENT AUDITORS' REPORT

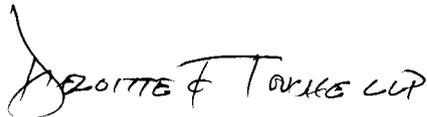
To the Board of Directors and Stockholder of  
Associated Securities Corp.  
El Segundo, California

We have audited the accompanying statement of financial condition of Associated Securities Corp. (the "Company") (an indirect wholly owned subsidiary of LPL Investment Holdings Inc.) as of December 31, 2008, and the related statements of operations, changes in stockholder's equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 as established by the Auditing Standards Board (United States) and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, such financial statements present fairly, in all material respects, the financial position of Associated Securities Corp. at December 31, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules I, II, and III listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. These schedules are the responsibility of the Company's management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.



February 25, 2009

**ASSOCIATED SECURITIES CORP.**  
**(A Wholly Owned Subsidiary of Associated Financial Group, Inc.)**  
**STATEMENT OF FINANCIAL CONDITION**  
**AS OF DECEMBER 31, 2008**

(Dollars in thousands, except par and stated value)

**ASSETS**

Cash and cash equivalents	\$	4,494
Investments—at market value		1,528
Receivable from:		
Broker-dealers and clearing organizations		1,612
Others, net of allowances of \$30		4,694
Fixed assets, net of accumulated depreciation and amortization of \$323		91
Prepaid expenses		384
Other assets		<u>105</u>
 Total assets	 \$	 <u><u>12,908</u></u>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

**LIABILITIES:**

Accrued commissions and advisory fees payable	\$	1,768
Accounts payable and accrued liabilities		1,390
Due to affiliates—net		<u>1,107</u>
 Total liabilities		 <u><u>4,265</u></u>

**COMMITMENTS AND CONTINGENCIES (Notes 8 and 12)**

**STOCKHOLDER'S EQUITY:**

Common stock, no par value, \$1 stated value; 1,484 shares authorized; 100 shares issued and outstanding		630
Additional paid-in capital		8,407
Accumulated deficit		<u>(394)</u>
 Total stockholder's equity		 <u><u>8,643</u></u>
 Total liabilities and stockholder's equity	 \$	 <u><u>12,908</u></u>

See accompanying notes to financial statements.