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

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

SEC FILE NUMBER
8-44881

**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 01/01/08 AND ENDING 12/31/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: JLM Securities Co.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
32255 Northwestern Suite 290

(No. and Street)

Farmington Hills, MI 48334

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Russell A. Fisher 248-737-3888

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Kirschner, Hutton, Perlin, P.C.

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

26913 Northwestern, Suite 510, Southfield, MI 48034

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

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)

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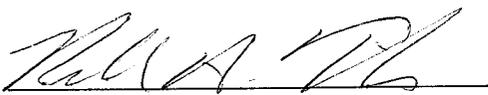
OATH OR AFFIRMATION

I, Lionel S. Margolick, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of JLM Securities Co., as of December 31, 2008, 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:

RUSSELL A. FISHER
Notary Public, State of Michigan
County of Oakland
My Commission Expires Nov. 13, 2013
Acting in the County of Oakland


Signature
Principal

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).

JLM SECURITIES COMPANY, LLC

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Southfield, Michigan 48033 - 8444
Telephone: (248) 356-3880
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Independent Auditors' Report

Partners

JLM Securities Company, LLC

We have audited the accompanying balance sheet of JLM Securities Company, LLC as of December 31, 2008, and the related statements of income, members' equity and cash flows for the year then ended. 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 U.S. 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 JLM Securities Company, LLC as of December 31, 2008, and the results of its operations and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

JLM Securities Company, LLC is exempt from the requirements of Rule 15c 3-3 under subparagraph (k) (2) (A), because it does not possess or control customer securities. Accordingly, information relating to the possession, control, or reserve requirements under Rule 15c 3-3 has been omitted from this report.

KIRSCHNER HUTTON PERLIN, P.C.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information included in this report (pages 9 and 10), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Kirschner Hutton Perlin, P.C.

Kirschner Hutton Perlin, P.C.
Certified Public Accountants

February 16, 2009

KIRSCHNER HUTTON PERLIN, P.C.

JLM SECURITIES COMPANY, LLC

BALANCE SHEET

DECEMBER 31, 2008

ASSETS

CURRENT ASSETS

Cash and cash equivalents (Note 1)

\$ 11,128

MEMBERS' EQUITY

MEMBERS' EQUITY

\$ 11,128

See notes to the financial statements.

KIRSCHNER HUTTON PERLIN, P.C.

JLM SECURITIES COMPANY, LLC
STATEMENT OF INCOME
YEAR ENDED DECEMBER 31, 2008

REVENUE	\$ 241,005
INTEREST INCOME	<u>115</u>
NET INCOME	<u><u>\$ 241,120</u></u>

See notes to the financial statements.

KIRSCHNER HUTTON PERLIN, P.C.

JLM SECURITIES COMPANY, LLC
STATEMENT OF PARTNERS' EQUITY
YEAR ENDED DECEMBER 31, 2008

BALANCE - JANUARY 1, 2008	\$ 11,003
NET INCOME	241,120
DISTRIBUTIONS	<u>(240,995)</u>
BALANCE - DECEMBER 31, 2008	<u><u>\$ 11,128</u></u>

See notes to the financial statements.

KIRSCHNER HUTTON PERLIN, P.C.

JLM SECURITIES COMPANY, LLC

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 241,120
CASH FLOWS FROM FINANCING ACTIVITIES	
Distributions	<u>(240,995)</u>
INCREASE IN CASH	125
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>11,003</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 11,128</u></u>

See notes to the financial statements.

JLM SECURITIES COMPANY, LLC
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Ownership

JLM Securities Company, LLC is a single member LLC owned by Margolick Financial Group, LLC, a single member LLC owned by LSM, Inc.

Nature of Operations

The Company is a broker-dealer located in Farmington Hills, Michigan and is regulated by the National Association of Securities Dealers, Inc. (NASD) and the Securities and Exchange Commission (SEC).

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less when purchased to be cash equivalents.

Income Tax

No provision for income tax has been included in the financial statements since the income of the Company is required to be reported by the member on its income tax return.

2. COMMITMENT

The Company is required by the National Association of Securities Dealers, to maintain a minimum net capital balance of \$5,000 as determined by Rule 15c 3-1 (a) (2) under the Securities Exchange Act of 1934. As of December 31, 2008, the net capital balance was \$11,128.

3. RELATED PARTY TRANSACTIONS

The Company has an agreement with its member that states all expenses incurred by the Company, except commissions will be paid by the member. At no such time will any of such expenses be allocated to the Company or recovered by the member.

KIRSCHNER HUTTON PERLIN, P.C.

JLM SECURITIES COMPANY, LLC

NOTES TO THE FINANCIAL STATEMENTS

4. CONCENTRATION OF REVENUE

Revenue derived from a series of private placements in association with two clients accounted for approximately 100% of total revenue for the year ended December 31, 2008.

COMPUTATION OF NET CAPITAL

1.	Total ownership equity from Statement of Financial Condition			11,128
				[3480]
2.	Deduct ownership equity not allowable for Net Capital			[3490]
3.	Total ownership equity qualified for Net Capital			11,128
				[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)			
		[3525A]	[3525B]	
		[3525C]	[3525D]	
		[3525E]	[3525F]	[3525]
5.	Total capital and allowable subordinated liabilities			11,128
				[3530]
6.	Deductions and/or charges:			
	A. Total nonallowable assets from Statement of Financial Condition (Notes B and C)		[3540]	
	B. Secured demand note deficiency		[3590]	
	C. Commodity futures contracts and spot commodities - proprietary capital charges		[3600]	
	D. Other deductions and/or charges		[3610]	[3620]
7.	Other additions and/or credits (List)			
		[3630A]	[3630B]	
		[3630C]	[3630D]	
		[3630E]	[3630F]	[3630]
8.	Net capital before haircuts on securities positions			11,128
				[3640]
9.	Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):			
	A. Contractual securities commitments		[3660]	
	B. Subordinated securities borrowings Trading and investment securities as		[3670]	
	1. Exempted securities		[3735]	
	2. Debt securities		[3733]	
	3. Options		[3730]	
	4. Other securities		0	
	D. Undue Concentration		[3734]	
	E. Other (List)		[3650]	

	[3736A]	[3736B]	
	[3736C]	[3736D]	
	[3736E]	[3736F]	[3740]
			11,128
10. Net capital		[3736]	[3750]

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

Part A

11. Minimum net capital required (6-213% of line 19)	0
	[3756]
	5,000
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]
	5,000
13. Net capital requirement (greater of line 11 or 12)	[3760]
	6,128
14. Excess net capital (line 10 less 13)	[3770]
	11,128
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	0
	[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)	
	[3820A]
	[3820B]
	[3820C]
	[3820D]
	[3820E]
	[3820F]
	[3820]
	[3830]
19. Total aggregate indebtedness	0
20. Percentage of aggregate indebtedness to net capital (line 19 / line 10)	[3840]
	0
	(3850)

* There are no differences between the audited computation of net capital and computation of Rule 15c3-3 reserve OTHER RATIOS requirements and the computation of the basic net capital and requirement.

21. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	0
		(3860)

Independent Auditors' Report on Internal Control

Partners

JLM Securities Company, LLC

In planning and performing our audit of the financial statements of JLM Securities Company, LLC for the year ended December 31, 2008, in accordance with U.S. generally accepted auditing standards, we considered The JLM Securities Company, LLC's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be significant deficiencies or material weaknesses, as defined above.

This report is intended solely for the information of management and the National Association of Securities Dealers and is not intended to be and should not be used by anyone other than these specified parties.

Kirschner Hutton Perlin, P.C.

Kirschner Hutton Perlin, P.C.
Certified Public Accountants

February 16, 2009