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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  
8-67559

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 01/01/2009 AND ENDING 12/31/2009  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Hesterston Securities LLC

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

OFFICIAL USE ONLY  
FIRM I.D. NO.

(No. and Street)  
(City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

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

12667 Alcosta Blvd., Suite 500 San Ramon CA 94583  
(Address) (City) (State) (Zip Code)

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

SECURITIES AND EXCHANGE COMMISSION  
**RECEIVED**  
FEB 26 2010  
BRANCH OF REGISTRATIONS  
AND  
04 EXAMINATIONS

**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)

AP  
3/6

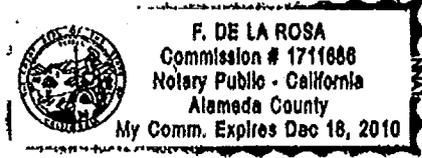
OATH OR AFFIRMATION

I, John R. Richard, Sr., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of HEFFERNAN SECURITIES LLC, as of DECEMBER 31, 2009, 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:

NONE

[Signature]  
Signature  
PRESIDENT  
Title

[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 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).

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INDEPENDENT AUDITORS' REPORT

To the Member  
Heffernan Securities, LLC  
Walnut Creek, California

We have audited the accompanying statement of financial condition of Heffernan Securities, LLC as of December 31, 2009, and the related statements of income and member's 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 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 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, the financial statements referred to above present fairly, in all material respects, the financial position of Heffernan Securities, LLC at December 31, 2009, 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 information contained in Schedules I and II is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. 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.

*Armanino McKenna LLP*  
ARMANINO MCKENNA LLP

February 24, 2010



HEFFERNAN SECURITIES, LLC  
Statement of Financial Condition  
December 31, 2009

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ASSETS

Assets	
Cash and cash equivalents	\$ 231,239
Commissions receivable	117,690
Marketable securities	444,591
Prepaid expenses and other current assets	22,716
Total current assets	<u>\$ 816,236</u>

LIABILITIES AND MEMBER'S EQUITY

Liabilities	
Accounts payable	\$ 6,450
Total current liabilities	<u>6,450</u>
Member's equity	<u>809,786</u>
Total liabilities and member's equity	<u>\$ 816,236</u>

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

HEFFERNAN SECURITIES, LLC  
Statement of Income and Member's Equity  
For the Year Ended December 31, 2009

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Revenue	
Commission income	\$ 941,032
Total revenue	<u>941,032</u>
Expenses	
Professional fees	46,000
Regulatory fees and taxes	9,860
Bank fees	<u>5,194</u>
Total expenses	<u>61,054</u>
Income from operations	<u>879,978</u>
Other income	
Interest and dividends	<u>1,232</u>
Income before income taxes	881,210
Provision for income taxes	<u>377,510</u>
Net income	503,700
Other comprehensive income	
Unrealized gain on marketable securities	<u>859</u>
Total comprehensive income	504,559
Member's equity, beginning of year	241,717
Member contributions	<u>63,510</u>
Total member's equity, end of year	<u>\$ 809,786</u>

The accompanying notes are an integral part of these financial statements

HEFFERNAN SECURITIES, LLC  
Statement of Cash Flows  
For the Year Ended December 31, 2009

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Cash flows from operating activities	
Net income	\$ 503,700
Adjustments to reconcile net income to net cash provided by operating activities	
Realized loss on marketable securities	136
Changes in operating assets and liabilities	
Commissions receivable	100,017
Prepaid expenses and other current assets	(22,716)
Accounts payable	6,450
Net cash provided by operating activities	<u>587,587</u>
Cash flows from investing activities	
Purchase of marketable securities	(470,371)
Proceeds from sale of marketable securities	<u>26,503</u>
Net cash used in investing activities	<u>(443,868)</u>
Cash flows from financing activities	
Member contributions	<u>63,510</u>
Increase in cash and cash equivalents	207,229
Cash and cash equivalents at beginning of year	<u>24,010</u>
Cash and cash equivalents at end of year	<u><u>\$ 231,239</u></u>
<u>Supplemental disclosures of noncash activity for investing and financing activities</u>	
Unrealized loss on marketable securities	\$ 859

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

HEFFERNAN SECURITIES, LLC  
Notes to Financial Statements  
December 31, 2009

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1. Nature of Business

Heffernan Securities, LLC (the "Company") is a wholly owned subsidiary of Heffernan Insurance Brokers ("HIB"). The Company (a California corporation) was formed in June 2006 and commenced operations on August 28, 2007 (licensed in California) doing business as an "accommodation broker dealer."

The Company utilizes the services of National Retirement Partners ("NRP"), a qualified and registered broker dealer and registered investment advisor ("RIA"), for facilitating the sale of various products, including 401(k) employee benefit plans, group annuity products, and other related retirement products. NRP consummates the transactions and remits the agreed upon commission to the Company. NRP charges a fee for services provided to the Company.

The Company receives support from HIB for items such as personnel salaries and benefits, accounting and information technology services, office space, office equipment, and certain office supplies. There is no charge to the Company for these items. The financial results of the Company would be significantly different absent this relationship with HIB.

2. Summary of Significant Accounting Policies

Revenue recognition and commissions receivable

Commissions for new sales are generally recognized upon the transfer of plan assets to NRP as the appointed broker dealer. Trailing commission revenues (12b-1 fees) are recognized in accordance with the periodic computation of such fees by NRP. Such computations typically occur on a weekly basis.

Bad debts are provided for on the allowance method based on historical experience and management's evaluation of outstanding commissions receivable.

Cash and cash equivalents

The Company classifies highly liquid investments with original maturities of three months or less as cash and cash equivalents. Cash and cash equivalents are held in major financial institutions. Periodically, such balances may be in excess of federally insured limits.

Subsequent events

The Company has evaluated subsequent events through February 24, 2010, the date the financial statements were available to be issued.

HEFFERNAN SECURITIES, LLC  
Notes to Financial Statements  
December 31, 2009

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2. Summary of Significant Accounting Policies (continued)

Marketable securities and fair value measurements

At December 31, 2009, the Company's marketable securities consist of investments in various equity and debt mutual funds. The Company considers these investments as available for sale. Thus, the investments are reflected at fair value and any unrealized gain (loss) is recorded in member's equity.

The fair value of all of the Company's investments at December 31, 2009 is determined using level one inputs as fair value is based on quoted prices in active markets for the identical security.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. Net Capital Requirements

Pursuant to the net capital provisions of the U.S. Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), the Company is required to maintain minimum net capital (as defined) of \$5,000, and is required that the ratio of aggregate indebtedness (as defined) to net capital, shall not exceed 15 to 1 or 6-2/3%. The rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1. Net capital and the related ratio of aggregate indebtedness to net capital may fluctuate on a daily basis. At December 31, 2009, the Company has net capital of \$602,588, which was \$597,588 in excess of its required net capital of \$5,000. Commissions receivable, other current assets totaling \$140,406 were excluded from the calculation of the Company's net capital as they are classified as nonallowable assets. The Company had haircuts on securities of \$66,792 at December 31, 2009. The Company's ratio of aggregate indebtedness to net capital is 0.01 as of December 31, 2009.

4. Exemption from Rule 15c3-3

The Company operates pursuant to the exemption provisions of (k)(2)(ii) under Rule 15c3-3 of the U.S. Securities and Exchange Commission Act of 1934, (reserve requirements for brokers and dealers) in that the Company does not hold funds or securities for customers and it promptly transmits all funds and delivers all securities in connection with its activities as a broker or dealer.

HEFFERNAN SECURITIES, LLC  
Notes to Financial Statements  
December 31, 2009

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5. Income Taxes

The Company has elected to be taxed as a C corporation. As a wholly-owned subsidiary of HIB, a C corporation, the Company is included in the consolidated federal income tax return of HIB. HIB files a combined state income tax return for California. The Company has recorded income tax expense as if the Company were filing separate returns. Deferred tax assets and liabilities (including any valuation allowance) are recognized and maintained on a corporate-wide basis by HIB. The Company has no significant temporary differences.

The provision for income taxes for the year-ended December 31, 2009 is comprised of the following:

Current taxes	
Federal	\$299,611
States	<u>77,899</u>
Total	<u>\$377,510</u>

The effective income tax rate at December 31, 2009 is 42.8%. This rate differs from the statutory federal rate of 34% due to state income taxes.

SUPPLEMENTARY INFORMATION

HEFFERNAN SECURITIES, LLC  
Schedule I - Computation of Net Capital  
Under Rule 15c3-1 of the Securities and Exchange Commission  
December 31, 2009

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Net capital	
Member's equity	\$ 809,786
Less nonallowable assets	
Commissions receivable	(117,690)
Other current assets	<u>(22,716)</u>
Net capital before haircut on securities position	669,380
Haircut on securities	<u>(66,792)</u>
Net capital	<u>\$ 602,588</u>
Aggregate indebtedness	
Items included in statement of financial condition	
Accounts payable	\$ 6,450
	<u>\$ 6,450</u>
Computation of basic net capital requirements	
Minimum net capital requirement (6-2/3% of aggregate indebtedness) (\$5,000 minimum)	(A) <u>\$ 5,000</u>
Minimum dollar net capital requirement	(B) <u>\$ 5,000</u>
Net capital requirement (greater of (A) or (B))	<u>\$ 5,000</u>
Net capital in excess of minimum requirement	<u>\$ 597,588</u>
Excess net capital at 1,000% (net capital less 10% of aggregate indebtedness)	<u>\$ 601,943</u>
Ratio of aggregate indebtedness to net capital	<u>0.01</u>
Reconciliation with Company's computation	
(Included in Part II of Form X-17a-5(a) as of December 31) - no differences	

HEFFERNAN SECURITIES, LLC  
Schedule II - Reserve Requirements  
December 31, 2009

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**COMPUTATION FOR DETERMINATION OF RESERVE REQUIREMENTS  
PURSUANT TO RULE 15c3-3**

**December 31, 2009**

An exception from Rule 15c3-3 is claimed, based on section (k)(2)(ii). All customer transactions are processed in accordance with Rule 15c-1(a)(2).

**INFORMATION FOR POSSESSION OR CONTROL  
REQUIREMENTS UNDER RULE 15c3-3**

**December 31, 2009**

Not applicable.

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROLS**  
**REQUIRED BY SEC RULE 17a-5**

To the Member  
Heffernan Securities, LLC  
Walnut Creek, California

In planning and performing our audit of the financial statements and supplemental schedules of Heffernan Securities, LLC (the "Company") as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Company'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.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company, including tests of compliance with such practices and procedures that we considered relevant to the objectives stated in SEC Rule 17a-5(g), in the following:

1. Making the periodic computations of aggregate indebtedness and net capital under SEC Rule 17a-3(a)(11); and
2. Determining compliance with the exemptive provisions of SEC 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, and the recordation of differences required by SEC Rule 17a-13;
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System; and
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin of securities of customers as required by SEC Rule 15c3-3.



The management of the Company is responsible for establishing and maintaining internal controls and the practices and procedures referred to in the second paragraph of the report. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control and of the practices and procedures referred to in the second 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 the preparation of financial statements in accordance with generally accepted accounting principles. SEC Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that controls may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

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 combination of control deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and 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 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 our study, we believe that the Company's practices and procedures were adequate at December 31, 2009 to meet the SEC's objectives.

This report is intended solely for the information and use of the member, management, the SEC, and other regulatory agencies that rely on SEC 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 these specified parties.

  
ARMANINO MCKENNA LLP

February 24, 2010

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INDEPENDENT AUDITORS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES RELATED TO AN ENTITY'S  
SIPC ASSESSMENT RECONCILIATION

To the Member  
Heffernan Securities, LLC  
Walnut Creek, California

In accordance with Rule 17a-5(e)(4) of the Securities and Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments [Transitional Assessment Reconciliation (Form SIPC-7T)] to the Securities Investor Protection Corporation ("SIPC") for the year-ended December 31, 2009, which were agreed to by Heffernan Securities, LLC (the "Company"), and the Securities and Exchange Commission ("SEC"), Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7T). The Company's management is responsible for the Company's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows.

1. Compared the listed assessment payments in Form SIPC-7T with respective cash disbursements noting no differences;
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2009, as applicable, with the amounts reported in Form SIPC-7T for the year ended December 31, 2009 noting no differences;
3. Compared any adjustments reported in Form SIPC-7T with supporting schedules and working papers noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7T and in the related schedules and working papers supporting the adjustments noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7T on which it was originally computed noting no differences.



We were not engage to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties above and should not be used by anyone other than these specified parties.

  
ARMANINO McKENNA LLP

February 24, 2010

Transitional Assessment Reconciliation

Read carefully the instructions on the Working Copy before completing this form.

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. Name of Member, address, Designated Examining Authority, 1934 Act registration no. and month in which fiscal year ends for purposes of the audit requirement of SEC Rule 17a-5

067559 FINRA DEC  
HEFFERNAN SECURITIES LLC 17\*17  
120 HOWARD ST STE 550  
SAN FRANCISCO CA 94105-1664

Note: if any of the information shown on the missing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.

Name and telephone number of person to contact respecting this form.

- 2. A. General Assessment [Item 2e from page 2 (not less than \$150 minimum)] \$ 31
- B. Less payment made with SIPC-6 filed including \$150 paid with 2009 SIPC 4 (exclude interest) 150
- C. Less prior overpayment applied 119
- D. Assessment balance due on overpayment
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum
- F. Total assessment balance and interest due (or overpayment carried forward) \$ (119)
- G. PAID WITH THIS FORM:  
Check enclosed, payable to SIPC  
Total (must be same as F above) \$ \_\_\_\_\_
- H. Overpayment carried forward \$ \_\_\_\_\_

3. Subsidiaries (S) and predecessors (P) included in this form (give name and 1934 Act registration number):

The SIPC member submitting this form and the person by whom it is executed represent thereby that all information contained herein is true, correct and complete.

*Heffernan Securities LLC*  
Member of Corporation (Partnership or other organization)  
*[Signature]*  
Authorized Signatory

Dated the 12 day of FEB 20 10

This form and the assessment payment is due 60 days after the end of the fiscal year. Retain the Working Copy of this form for a period of not less than 6 years, the latest 2 years in an easily accessible place.

SIPC REVIEWER	Dates:	<u>Postmarked</u>	<u>Received</u>	<u>Reviewed</u>
	Calculations:	_____	Documentation	_____ Forward Copy _____
	Exceptions:	_____		
	Disposition of exceptions:	_____		

# DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amount for the 1983 period  
beginning April 1, 1983  
and ending Dec. 31, 1983  
Eliminate cents

**Item No.**

1a Total revenue - FOCUS line 12 - Part III Line 1 - Code 4035

827,444

**2a. Additions**

- 1. Total revenue from the securities business of subsidiaries, except foreign subsidiaries and predecessors not included above
- 2. Net loss from principal transactions in securities in trading accounts
- 3. Net loss from principal transactions in commodities in trading accounts
- 4. Interest and dividend expenses deducted in determining item 1a
- 5. Net loss from management of or participation in the underwriting or distribution of securities
- 6. Expenses other than advertising printing registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities
- 7. Net loss from securities in investment accounts

Total additions

**2c. Deductions**

- 1. Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products
- 2. Revenues from commodity transactions
- 3. Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions
- 4. Reimbursements for postage in connection with proxy solicitation
- 5. Net gain from securities in investment accounts
- 6. 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date
- 7. Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 18(f)(1) of the Act)
- 8. Other revenue not related either directly or indirectly to the securities business (See Instruction C)

814,977

(9) Total interest and dividend expense - FOCUS line 22 - PART III Line 13  
Code 4075 plus line 2b(4) above, but not in excess  
of total interest and dividend income

\$ \_\_\_\_\_

(10) 40% of interest earned on customers' securities accounts  
(40% of FOCUS line 5 - Code 3960)

\$ \_\_\_\_\_

Enter the greater of had or of (10)

Total deduction

1a SIPC Net Operating Revenues

\$ 12,472

2e General Assessment @ .0025

\$ 31

to page 1 but not less than  
\$150 minimum.

**HEFFERNAN SECURITIES, LLC**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2009**

**CONFIDENTIAL DOCUMENT**

**This report is deemed confidential in accordance with Rule 17A-5(e)(3) under the Securities Exchange Act of 1934. The Statement of Financial Condition has been filed with the Securities and Exchange Commission simultaneously herewith as a public document.**