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SECURITIES AND EXCHANGE COMMISSION  
**RECEIVED**  
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 BRANCH OF REGISTRATIONS  
 EXAMINATIONS  
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**ANNUAL AUDITED REPORT  
 FORM X-17A-5  
 PART III**

SEC FILE NUMBER
8-67511

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 01/01/09 AND ENDING 12/31/09  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Naples AIS, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

23150 Fashion Drive, Suite 231

(No. and Street)

Estero  
(City)

Florida  
(State)

33928  
(Zip Code)

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

Arthur Richards Rule

(760) 943-3939

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Spicer Jeffries LLP

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

5251 S. Quebec Street, Suite 200  
(Address)

Greenwood Village  
(City)

CO  
(State)

80111  
(Zip Code)

CHECK ONE:

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

<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)

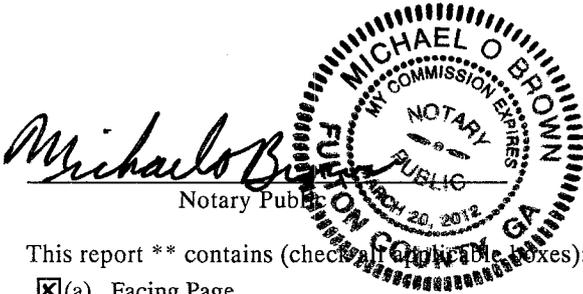
BP 3/1

OATH OR AFFIRMATION

I, Anthony Diamos, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Naples AIS, Inc. 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:

[Handwritten Signature]

Financial Principal
Title



This report \*\* contains (check all that apply):

- (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 of Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital (including reconciliation of X-17A-5 Part II filing with this Rule 17a-5(d) report, if applicable).
(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 15c3-3 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.
(o) Independant Auditors' Report on Internal Accounting Control.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

NAPLES AIS, INC.

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors of  
Naples AIS, Inc.

We have audited the accompanying statement of financial condition of Naples AIS, Inc. as of December 31, 2009, and the related statements of operations, changes in shareholder'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 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 Naples AIS, Inc. as of 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 made for the purpose of forming an opinion on the financial statements taken as a whole. The information contained in the supplemental schedules listed in the accompanying index is presented for purposes of additional analysis and is not required for a fair presentation of the 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 our audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Spicer Jeffries LLP*

Greenwood Village, Colorado  
February 9, 2010



NAPLES AIS, INC.

STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2009

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ASSETS

Cash and cash equivalents	\$	22,209
Accounts receivable		8,165
Receivable from employees		8,282
Furniture and equipment, net of accumulated depreciation of \$15,331		15,559
Other assets		<u>5,577</u>
<i>Total assets</i>	\$	<u><u>59,792</u></u>

LIABILITIES AND SHAREHOLDER'S EQUITY

**LIABILITIES:**

Commissions payable	\$	4,494
Accrued expenses		<u>1,820</u>
<i>Total liabilities</i>		<u>6,314</u>

**COMMITMENTS AND CONTINGENCIES** (Notes 3 and 4)

**SHAREHOLDER'S EQUITY** (Note 2):

Common stock, no par value; 100 shares authorized, 100 shares issued and outstanding		10
Additional paid in capital		55,372
Deficit		<u>(1,904)</u>
<i>Total shareholder's equity</i>		<u>53,478</u>

<i>Total liabilities and shareholder's equity</i>	\$	<u><u>59,792</u></u>
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NAPLES AIS, INC.

STATEMENT OF OPERATIONS  
YEAR ENDED DECEMBER 31, 2009

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**REVENUE:**

Commissions and fees \$ 222,465

**EXPENSES:** (Note 3)

Commissions, salaries and benefits 234,873

Professional fees 30,781

Occupancy 18,926

Advertising and promotion 10,108

Regulatory fees 10,560

General and administrative 9,263

*Total expenses* 314,511

**NET LOSS** **\$ (92,046)**

NAPLES AIS, INC.

STATEMENT CHANGES IN SHAREHOLDER'S EQUITY  
YEAR ENDED DECEMBER 31, 2009

	<u>Common Stock</u>	<u>Additional Paid In Capital</u>	<u>Retained Earnings (Deficit)</u>	<u>Total Shareholder's Equity</u>
BALANCES, December 31, 2008	\$ 10	\$ 34,372	\$ 90,142	\$ 124,524
Contributions	-	21,000	-	21,000
Net loss	-	-	(92,046)	(92,046)
<b>BALANCES, December 31, 2009</b>	<b><u>10</u></b>	<b><u>55,372</u></b>	<b><u>(1,904)</u></b>	<b><u>53,478</u></b>

NAPLES AIS, INC.

STATEMENT CASH FLOWS  
YEAR ENDED DECEMBER 31, 2009

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**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net loss	\$	(92,046)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation		5,479
Decrease in accounts receivable		9,335
Decrease in receivable from related parties		79,031
Decrease in receivable from employees		2,165
Decrease in other assets		1,409
Decrease in commissions payable		(19,506)
Decrease in accrued expenses		<u>(2,639)</u>
<i>Net cash used in operating activities</i>		(16,772)

**CASH FLOWS USED IN FINANCING ACTIVITIES:**

Contribution from shareholder		<u>21,000</u>
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**NET DECREASE IN CASH AND CASH EQUIVALENTS** 4,228

**CASH AND CASH EQUIVALENTS, at beginning of year** 17,981

**CASH AND CASH EQUIVALENTS, at end of year** \$ 22,209

NAPLES AIS, INC.

NOTES TO FINANCIAL STATEMENTS

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**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Organization and business**

Naples AIS, Inc. (the "Company") is a Florida corporation incorporated on July 10, 2006. The Company was founded to allow accredited Investors to selectively participate in alternate private placement transactions not typically available to them. The Company also offers its investors variable annuity and mutual fund products. The Company is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority, Inc. ("FINRA").

**Revenue recognition**

The Company recognizes revenues as commissions and fees are earned upon the sale of various investment vehicles. Accounts receivable are carried at their estimated collectible amounts, and losses are determined on the basis of experience with the customer and current economic conditions. At December 31, 2009, management believes all receivables to be fully collectible.

**15c3-3 exemption**

The Company under Rule 15c3-3(k)(2)(i) is exempt from the customer reserve requirements of Rule 15c3-3 of the SEC. In addition, the Company is exempt from the possession or control requirements of Rule 15c3-3 of the SEC. The Company does not carry or clear customer accounts.

**Cash and cash equivalents**

For purposes of cash flows, the Company considers money market funds with maturities of three months or less to be cash equivalents.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted 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.

**Income taxes**

The Company has elected to be treated as an S-Corporation with the Internal Revenue Service. As an S-Corporation the Company's shareholder is liable for federal and state income taxes on the Company's taxable income.

NAPLES AIS, INC.

NOTES TO FINANCIAL STATEMENTS

*(Concluded)*

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(concluded)*

**Furniture and equipment**

Furniture and equipment is stated at cost and depreciated using accelerated methods over the estimated useful lives ranging from three to seven years.

**NOTE 2 - NET CAPITAL REQUIREMENTS**

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. At December 31, 2009, the Company had a net capital and net capital requirements of \$15,895 and \$5,000, respectively. The Company's net capital ratio (aggregate indebtedness to net capital) was 0.40 to 1. According to Rule 15c3-1, the Company's net capital ratio shall not exceed 15 to 1.

**NOTE 3 - RELATED PARTY TRANSACTIONS**

The Company has an expense agreement with a related entity. Under the agreement, the related entity bills the Company for overhead expenses incurred. For the year ended December 31, 2009 the Company was billed a total of \$89,994. In addition the Company leases office space from another related entity on a month-to-month basis.

**NOTE 4 - FINANCIAL INSTRUMENTS, OFF-BALANCE SHEET RISK AND CONTINGENCIES**

The Company's financial instruments, including cash, receivables, and payables, are carried at amount that approximate fair value due to the short-term nature of those instruments.

The Company is in the business of syndicating and marketing real estate interests to accredited investors. Its business is directly affected by downturns in the real estate market and its ability to raise capital during distressed economic conditions.

**NOTE 5 - SUBSEQUENT EVENTS**

The Company has performed an evaluation of subsequent events through February 9, 2010, which is the date the financial statements were available to be issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.

**SUPPLEMENTARY INFORMATION**

**NAPLES AIS, INC.**

**COMPUTATION OF NET CAPITAL  
PURSUANT TO UNIFORM NET CAPITAL RULE 15c3-1  
DECEMBER 31, 2009**

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**CREDIT:**

Shareholder's equity	\$ <u>53,478</u>
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**DEBITS:**

Non-allowable assets:

Accounts receivable	8,165
Receivable from employees	8,282
Furniture and equipment, net	15,559
Other assets	<u>5,577</u>

<i>Total debits</i>	<u>37,583</u>
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<b>NET CAPITAL</b>	15,895
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Minimum requirements of 6 2/3 % of aggregate indebtedness of \$6,314 or \$5,000 , whichever is greater	<u>5,000</u>
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<i>Excess net capital</i>	<u><u>\$ 10,895</u></u>
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**AGGREGATE INDEBTEDNESS:**

Commissions payable	\$ 4,494
Accrued expenses	<u>1,820</u>

<i>Total aggregate indebtedness</i>	<u><u>\$ 6,314</u></u>
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<b>RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL</b>	<u><u>0.40 to 1</u></u>
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Note: There are no material differences between the above computation of net capital and the corresponding computation submitted by the Company with the unaudited Form X-17A-5 as of December 31, 2009.



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## INDEPENDENT AUDITORS' REPORT ON INTERNAL ACCOUNTING CONTROL REQUIRED BY SEC RULE 17a-5

The Board of Directors of  
Naples AIS, Inc.

In planning and performing our audit of the financial statements and supplementary information of Naples AIS, Inc. (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 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 (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. We did not review the practices and procedures followed by the Company in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13 or 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, because the Company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the Company is responsible for establishing and maintaining internal control 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 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 conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and 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 they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate. This report recognizes that it is not practicable in an organization the size of the Company to achieve all the divisions of duties and cross-checks generally included in a system of internal accounting control and that alternatively greater reliance must be placed on surveillance by management.

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, 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 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 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 as described in the second paragraph of this report, were adequate at December 31, 2009, to meet the SEC's objectives.

In addition, our review indicated that the Company was in compliance with the conditions of exemption from Rule 15c3-3 pursuant to paragraph k(2)(i) as of December 31, 2009, and no facts came to our attention to indicate that such conditions had not been complied with during the year.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, the Financial Industry Regulatory Authority, Inc., and other regulatory agencies that rely on 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.

A handwritten signature in black ink that reads "Spicer Jeffries LLP". The signature is written in a cursive, flowing style.

Greenwood Village, Colorado  
February 9, 2010

NAPLES AIS, INC.  
REPORT PURSUANT TO RULE 17a-5(d)  
YEAR ENDED DECEMBER 31, 2009

SEC  
Mail Processing  
Section

FEB 25 2010

Washington, DC  
105

The report is deemed **CONFIDENTIAL** in accordance with Rule 17a-5(e)(3) under the Securities Exchange Act of 1934. A statement of financial condition has been filed with the Securities and Exchange Commission simultaneously herewith as a **PUBLIC DOCUMENT**.