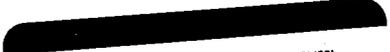


OMB APPROVAL

OMB Number: 3235-0123  
Expires: February 28, 2010  
Estimated average burden  
Hours per response...12.00



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

OM

SEC FILE NUMBER  
8-15469

**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 ENDING 01/01/10 AND ENDING 12/31/10  
MM/DD/YY MM/DD/YY

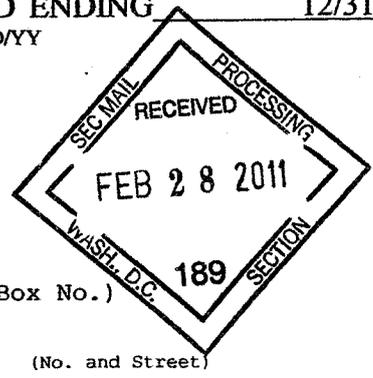
**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER:

**KRAMER SECURITIES CORPORATION**

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

7120 SW 95<sup>th</sup> Street



(No. and Street)

MIAMI FLORIDA 33156  
(City) (State) (Zip Code)

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

ALBERT KRAMER (305) 667-9922  
- Telephone No.) Code -

**B. ACCOUNTANT IDENTIFICATION**

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

BRUCE D. SOULE, CPA, P.A.  
(Name -- if individual, state last, first and middle name)

7075 Grenville Road Tallahassee Florida 32309  
(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(2-89)

LD  
3/15/11

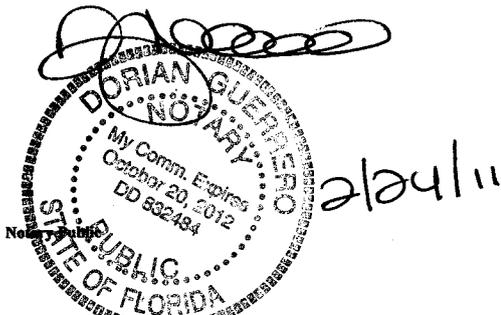
OATH OR AFFIRMATION

I, ALBERT KRAMER, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of KRAMER SECURITIES CORPORATION, as of DECEMBER 31, 2010, 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

*Albert Kramer*

Signature



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 Cash Flow.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of 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 of 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. SOULE, CPA, P.A.

CERTIFIED PUBLIC ACCOUNTANT

7075 GRENVILLE ROAD  
TALLAHASSEE, FL 32309  
TELEPHONE: (850) 894-3135  
FAX: (850) 894-3155  
TOLL FREE: (800) 957-9686  
E-MAIL: bdscca@prodigy.net

## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Kramer Securities Corporation  
Miami, Florida

I have audited the accompanying statement of assets, liabilities and ownership equity and income which appears on pages two through seven of the FOCUS Report of Kramer Securities Corporation, as of December 31, 2010 and the related statements changes in liabilities subordinated to claims of general creditors, and cash flow for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities and Exchange Act of 1934. 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 of America. 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 **Kramer Securities Corporation** as of December 31, 2010 and the results of its operations and its cash flow for the year then ended, in conformity with accounting principles generally accepted in the United States of America

My audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying reconciliation of net capital which appears on pages three, four and seven of the FOCUS Report 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 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 presented in all material respects in relation to the basic financial statements taken as a whole.

**BRUCE D. SOULE, CPA, P.A.**



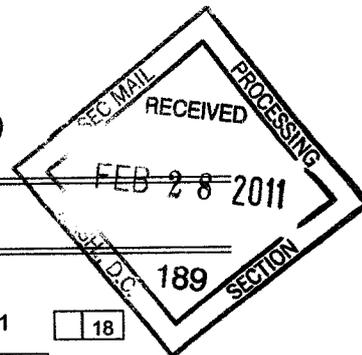
**Certified Public Accountant**

February 15, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

FORM  
X-17A-5

FOCUS REPORT  
(FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT)  
PART IIA 12



(Please read instructions before preparing Form)

This report is being filed pursuant to (Check Applicable Block(s)):

- 1) Rule 17a-5(a)  16
- 2) Rule 17a-5(b)  17
- 3) Rule 17a-11  18
- 4) Special request by designated examining authority  19
- 5) Other  26

NAME OF BROKER-DEALER

KRAMER SECURITIES CORPORATION 13  
ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do not use P.O. Box No.)

7120 S.W. 95 STREET 20  
(No. and Street)

MIAMI 21 FL 22 33156 23  
(City) (State) (Zip Code)

SEC. FILE NO.

8-15469 14

FIRM ID NO.

2474 15

FOR PERIOD BEGINNING (MM/DD/YY)

01/01/10 24

AND ENDING (MM/DD/YY)

12/31/10 25

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT (Area code) - Telephone No.

ALBERT KRAMER 30

(305) 667-9922 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT

OFFICIAL USE

32

33

34

35

36

37

38

39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS ? YES  40 NO  41  
CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  Y 42

EXECUTION:

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Manual Signatures of:

- 1) \_\_\_\_\_  
Principal Executive Officer or Managing Partner
- 2) \_\_\_\_\_  
Principal Financial Officer or Partner
- 3) \_\_\_\_\_  
Principal Operations Officer or Partner

ATTENTION - Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f (a) )

FINRA



**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**

**KRAMER SECURITIES CORPORATION**

as of

12/31/10

**STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING,  
NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS  
LIABILITIES AND OWNERSHIP EQUITY**

| <u>Liabilities</u>   | <u>A.I.<br/>Liabilities</u>   | <u>Non-A.I.<br/>Liabilities</u>  | <u>Total</u>   |
|--|---|--|--|
| 13. Bank loans payable .....   | \$ <span style="border: 1px solid black; padding: 0 5px;">1045</span> \$  | \$ <span style="border: 1px solid black; padding: 0 5px;">1255</span> \$ | \$ <span style="border: 1px solid black; padding: 0 5px;">1470</span>  |
| 14. Payable to brokers or dealers:   |   |  |  |
| A. Clearance account .....   | <span style="border: 1px solid black; padding: 0 5px;">1114</span>  | <span style="border: 1px solid black; padding: 0 5px;">1315</span>       | <span style="border: 1px solid black; padding: 0 5px;">1560</span>   |
| B. Other .....   | <span style="border: 1px solid black; padding: 0 5px;">1115</span>  | <span style="border: 1px solid black; padding: 0 5px;">1305</span>       | <span style="border: 1px solid black; padding: 0 5px;">1540</span>   |
| 15. Payable to non-customers .....   | <span style="border: 1px solid black; padding: 0 5px;">1155</span>  | <span style="border: 1px solid black; padding: 0 5px;">1355</span>       | <span style="border: 1px solid black; padding: 0 5px;">1610</span>   |
| 16. Securities sold not yet purchased,<br>at market value .....  |   | <span style="border: 1px solid black; padding: 0 5px;">1360</span>       | <span style="border: 1px solid black; padding: 0 5px;">1620</span>   |
| 17. Accounts payable, accrued liabilities,<br>expenses and other .....   | 72 <span style="border: 1px solid black; padding: 0 5px;">1205</span>   | <span style="border: 1px solid black; padding: 0 5px;">1385</span>       | 72 <span style="border: 1px solid black; padding: 0 5px;">1685</span>  |
| 18. Notes and mortgages payable:   |   |  |  |
| A. Unsecured .....   | <span style="border: 1px solid black; padding: 0 5px;">1210</span>  |  | <span style="border: 1px solid black; padding: 0 5px;">1690</span>   |
| B. Secured .....   | <span style="border: 1px solid black; padding: 0 5px;">1211</span>  | <span style="border: 1px solid black; padding: 0 5px;">1390</span>       | <span style="border: 1px solid black; padding: 0 5px;">1700</span>   |
| 19. Liabilities subordinated to claims<br>of general creditors:  |   |  |  |
| A. Cash borrowings:  |   |  |  |
| 1. from outsiders \$ <span style="border: 1px solid black; padding: 0 5px;">970</span>   |   | <span style="border: 1px solid black; padding: 0 5px;">1400</span>       | <span style="border: 1px solid black; padding: 0 5px;">1710</span>   |
| 2. Includes equity subordination (15c3-1(d))<br>of ..... \$ <span style="border: 1px solid black; padding: 0 5px;">980</span>    |   |  |  |
| B. Securities borrowings, at market value<br>from outsiders \$ <span style="border: 1px solid black; padding: 0 5px;">990</span> |   | <span style="border: 1px solid black; padding: 0 5px;">1410</span>       | <span style="border: 1px solid black; padding: 0 5px;">1720</span>   |
| C. Pursuant to secured demand note<br>collateral agreements .....  |   | <span style="border: 1px solid black; padding: 0 5px;">1420</span>       | <span style="border: 1px solid black; padding: 0 5px;">1730</span>   |
| 1. from outsiders \$ <span style="border: 1px solid black; padding: 0 5px;">1000</span>  |   |  |  |
| 2. includes equity subordination (15c3-1(d))<br>of ..... \$ <span style="border: 1px solid black; padding: 0 5px;">1010</span>   |   |  |  |
| D. Exchange memberships contributed for<br>use of company, at market value .....   |   | <span style="border: 1px solid black; padding: 0 5px;">1430</span>       | <span style="border: 1px solid black; padding: 0 5px;">1740</span>   |
| E. Accounts and other borrowings not<br>qualified for net capital purposes .....   | <span style="border: 1px solid black; padding: 0 5px;">1220</span>  | <span style="border: 1px solid black; padding: 0 5px;">1440</span>       | <span style="border: 1px solid black; padding: 0 5px;">1750</span>   |
| 20. TOTAL LIABILITIES .....  | \$ <span style="border: 1px solid black; padding: 0 5px;">72</span> <span style="border: 1px solid black; padding: 0 5px;">1230</span> \$ | \$ <span style="border: 1px solid black; padding: 0 5px;">1450</span> \$ | \$ <span style="border: 1px solid black; padding: 0 5px;">72</span> <span style="border: 1px solid black; padding: 0 5px;">1760</span> |

Ownership Equity

|  |   |  |
|--|---|--|
| 21. Sole proprietorship .....                    |   | \$ <span style="border: 1px solid black; padding: 0 5px;">1770</span>  |
| 22. Partnership (limited partners) .....         | \$ <span style="border: 1px solid black; padding: 0 5px;">1020</span> | <span style="border: 1px solid black; padding: 0 5px;">1780</span>   |
| 23. Corporation:                                 |   |  |
| A. Preferred stock .....                         |   | <span style="border: 1px solid black; padding: 0 5px;">1791</span>   |
| B. Common stock .....                            |   | 7,500 <span style="border: 1px solid black; padding: 0 5px;">1792</span>   |
| C. Additional paid-in capital .....              |   | 8,592 <span style="border: 1px solid black; padding: 0 5px;">1793</span>   |
| D. Retained earnings .....                       |   | 44,088 <span style="border: 1px solid black; padding: 0 5px;">1794</span>  |
| E. Total .....                                   |   | 60,180 <span style="border: 1px solid black; padding: 0 5px;">1795</span>  |
| F. Less capital stock in treasury .....          |   | ( <span style="border: 1px solid black; padding: 0 5px;">1796</span> )   |
| 24. TOTAL OWNERSHIP EQUITY .....                 |   | \$ <span style="border: 1px solid black; padding: 0 5px;">60,180</span> <span style="border: 1px solid black; padding: 0 5px;">1800</span> |
| 25. TOTAL LIABILITIES AND OWNERSHIP EQUITY ..... |   | \$ <span style="border: 1px solid black; padding: 0 5px;">60,252</span> <span style="border: 1px solid black; padding: 0 5px;">1810</span> |

OMIT PENNIES

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**

**KRAMER SECURITIES CORPORATION**

as of

12/31/10

**COMPUTATION OF NET CAPITAL**

|  |    |               |                    |
|--|----|---------------|--------------------|
| 1. Total ownership equity from Statement of Financial Condition                                    | \$ | 60,180        | <u>3480</u>        |
| 2. Deduct ownership equity not allowable for Net Capital   |    |               | ( <u>3490</u> )    |
| 3. Total ownership equity qualified for Net Capital  |    | <u>60,180</u> | <u>3500</u>        |
| 4. Add:  |    |               |                    |
| A. Liabilities subordinated to claims of general creditors allowable in computation of net capital |    |               | <u>3520</u>        |
| B. Other (deductions) or allowable credits (List)  |    |               | <u>3525</u>        |
| 5. Total capital and allowable subordinated liabilities  | \$ | <u>60,180</u> | <u>3530</u>        |
| 6. Deductions and/or charges:  |    |               |                    |
| A. Total non-allowable assets from   |    |               |                    |
| Statement of Financial Condition (Notes B and C)   | \$ | 10            | <u>3540</u>        |
| B. Secured demand note deficiency  |    |               | <u>3590</u>        |
| C. Commodity futures contracts and spot commodities-proprietary capital charges                    |    |               | <u>3600</u>        |
| D. Other deductions and/or charges   |    |               | <u>3610</u>        |
|  |    |               | ( 10) <u>3620</u>  |
| 7. Other additions and/or allowable credits (List)   |    |               | <u>3630</u>        |
| 8. Net Capital before haircuts on securities positions   | \$ | <u>60,170</u> | <u>3640</u>        |
| 9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):                     |    |               |                    |
| A. Contractual securities commitments  | \$ |               | <u>3660</u>        |
| B. Subordinated securities borrowings  |    |               | <u>3670</u>        |
| C. Trading and investment securities:  |    |               |                    |
| 1. Exempted securities   |    |               | <u>3735</u>        |
| 2. Debt securities   |    |               | <u>3733</u>        |
| 3. Options   |    |               | <u>3730</u>        |
| 4. Other securities  |    | 886           | <u>3734</u>        |
| D. Undue concentration   |    |               | <u>3650</u>        |
| E. Other (List)  |    |               | <u>3736</u>        |
|  |    |               | ( 886) <u>3740</u> |
| 10. Net Capital  | \$ | <u>59,284</u> | <u>3750</u>        |

OMIT PENNIES

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**

**KRAMER SECURITIES CORPORATION**

as of

12/31/10

**COMPUTATION OF BASIC NET CAPITAL REQUIREMENT**

**Part A**

|   |    |        |             |
|---|----|--------|-------------|
| 11. Minimum net capital required (6-2/3% of line 19)  | \$ | 5      | <u>3756</u> |
| 12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) | \$ | 5,000  | <u>3758</u> |
| 13. Net capital requirement (greater of line 11 or 12)  | \$ | 5,000  | <u>3760</u> |
| 14. Excess net capital (line 10 less 13)  | \$ | 54,284 | <u>3770</u> |
| 15. Net capital less greater of 10% of line 19 or 120% of line 12   | \$ | 53,284 | <u>3780</u> |

**COMPUTATION OF AGGREGATE INDEBTEDNESS**

|  |    |             |             |
|--|----|-------------|-------------|
| 16. Total A.I. liabilities from Statement of Financial Condition                         | \$ | 72          | <u>3790</u> |
| 17. Add:   |    |             |             |
| A. Drafts for immediate credit   | \$ | <u>3800</u> |             |
| B. Market value of securities borrowed for which no equivalent value is paid or credited | \$ | <u>3810</u> |             |
| C. Other unrecorded amounts (List)   | \$ | <u>3820</u> | <u>3830</u> |
| 19. Total aggregate indebtedness   | \$ | 72          | <u>3840</u> |
| 20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)     | %  | 0.12        | <u>3850</u> |
| 21. Percentage of debt to debt-equity total computed in accordance with Rule 15c-3-1(d)  | %  | 0.00        | <u>3860</u> |

**COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT**

**Part B**

|  |    |             |
|--|----|-------------|
| 22. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of net capital computation including both brokers or dealers and consolidated subsidiaries' debits | \$ | <u>3870</u> |
| 23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)  | \$ | <u>3880</u> |
| 24. Net capital requirement (greater of line 22 or 23)   | \$ | <u>3760</u> |
| 25. Excess net capital (line 10 less 24)   | \$ | <u>3910</u> |
| 26. Net capital in excess of the greater of:<br>5% of combined aggregate debit items or 120% of minimum net capital requirement  | \$ | <u>3920</u> |

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
  2. 6-2/3% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand notes covered by subordination agreements not in satisfactory form and the market values of the memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.



**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

**BROKER OR DEALER**  
KRAMER SECURITIES CORPORATION

For the period (MMDDYY) from 01/01/10 to 12/31/10

**STATEMENT OF CHANGES IN OWNERSHIP EQUITY  
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)**

|   |    |         |      |
|---|----|---------|------|
| 1. Balance, beginning of period .....                   | \$ | 68,831  | 4240 |
| A. Net income (loss) .....                              |    | (8,651) | 4250 |
| B. Additions (includes non-conforming capital of .....  | \$ | 4262    | 4260 |
| C. Deductions (includes non-conforming capital of ..... | \$ | 4272    | 4270 |
| 2. Balance, end of period (from item 1800) .....        | \$ | 60,180  | 4290 |

**STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED  
TO CLAIMS OF GENERAL CREDITORS**

|  |    |  |      |
|--|----|--|------|
| 3. Balance, beginning of period .....            | \$ |  | 4300 |
| A. Increases .....                               |    |  | 4310 |
| B. Decreases .....                               |    |  | 4320 |
| 4. Balance, end of period (from item 3520) ..... | \$ |  | 4330 |

OMIT PENNIES

**FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
PART IIA**

|  |                       |
|--|-----------------------|
| <b>BROKER OR DEALER</b><br>KRAMER SECURITIES CORPORATION | as of <u>12/31/10</u> |
|--|-----------------------|

**Exemptive Provision Under Rule 15c3-3**

25. If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based :

- A. (k) (1) - Limited business (mutual funds and/or variable annuities only) ..... \$ 4550
- B. (k) (2) (i) - "Special Account for the Exclusive Benefit of customers" maintained ..... 4560
- C. (k) (2) (ii) - All customer transactions cleared through another broker-dealer on a fully disclosed basis.  
Name(s) of Clearing Firm(s) - Please separate multiple names with a semi-colon  
FIRST CLEARING, L.L.C. 4335 X 4570
- D. (k) (3) - Exempted by order of the Commission ..... 4580

**Ownership Equity and Subordinated Liabilities maturing or proposed to be  
withdrawn within the next six months and accruals, (as defined below),  
which have not been deducted in the computation of Net Capital.**

| Type of Proposed<br>Withdrawal or<br>Accrual<br>(See below for<br>code to enter) | Name of Lender or Contributor | Insider or<br>Outsider ?<br>(In or Out) | Amount to be with-<br>drawn (cash amount<br>and/or Net Capital<br>Value of Securities) | (MMDDYY)<br>Withdrawal<br>or Maturity<br>Date | Expect<br>to<br>Renew<br>(Yes or No) |
|--|-------------------------------|---|--|---|--------------------------------------|
| <u>4600</u>  | <u>4601</u>                   | <u>4602</u>                             | <u>4603</u>  | <u>4604</u>                                   | <u>4605</u>                          |
| <u>4610</u>  | <u>4611</u>                   | <u>4612</u>                             | <u>4613</u>  | <u>4614</u>                                   | <u>4615</u>                          |
| <u>4620</u>  | <u>4621</u>                   | <u>4622</u>                             | <u>4623</u>  | <u>4624</u>                                   | <u>4625</u>                          |
| <u>4630</u>  | <u>4631</u>                   | <u>4632</u>                             | <u>4633</u>  | <u>4634</u>                                   | <u>4635</u>                          |
| <u>4640</u>  | <u>4641</u>                   | <u>4642</u>                             | <u>4643</u>  | <u>4644</u>                                   | <u>4645</u>                          |
| <u>4650</u>  | <u>4651</u>                   | <u>4652</u>                             | <u>4653</u>  | <u>4654</u>                                   | <u>4655</u>                          |
| <u>4660</u>  | <u>4661</u>                   | <u>4662</u>                             | <u>4663</u>  | <u>4664</u>                                   | <u>4665</u>                          |
| <u>4670</u>  | <u>4671</u>                   | <u>4672</u>                             | <u>4673</u>  | <u>4674</u>                                   | <u>4675</u>                          |
| <u>4680</u>  | <u>4681</u>                   | <u>4682</u>                             | <u>4683</u>  | <u>4684</u>                                   | <u>4685</u>                          |
| <u>4690</u>  | <u>4691</u>                   | <u>4692</u>                             | <u>4693</u>  | <u>4694</u>                                   | <u>4695</u>                          |
| <b>TOTAL</b>   |                               |   | \$ <u>4699</u>   |   |                                      |

OMIT PENNIES

Instructions: Detail listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c3-1(c) (2) (iv)), which could be required by the lender on demand or in less than six months.

- |                  |                                |
|------------------|--------------------------------|
| WITHDRAWAL CODE: | DESCRIPTION                    |
| 1.               | Equity Capital                 |
| 2.               | Subordinated Liabilities       |
| 3.               | Accruals                       |
| 4.               | 15c3-1(c) (2) (iv) Liabilities |

**KRAMER SECURITIES CORPORATION**

**STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY**

**FOR THE YEAR ENDED DECEMBER 31, 2010**

|                            | <u>Common stock</u> |                 | <u>Additional</u> | <u>Retained</u>  | <u>Total</u>     |
|----------------------------|---------------------|-----------------|-------------------|------------------|------------------|
|                            | <u>Shares</u>       | <u>Amount</u>   | <u>paid-in</u>    | <u>Earnings</u>  |                  |
|                            |                     |                 | <u>capital</u>    |                  |                  |
| Balance, January 1, 2010   | 7,500               | \$ 7,500        | \$ 8,592          | \$ 52,739        | \$ 68,831        |
| Net income                 | <u>-0-</u>          | <u>-0-</u>      | <u>-0-</u>        | <u>(8,651)</u>   | <u>(8,651)</u>   |
| Balance, December 31, 2010 | <u>7,500</u>        | <u>\$ 7,500</u> | <u>\$ 8,592</u>   | <u>\$ 44,088</u> | <u>\$ 60,180</u> |

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

**KRAMER SECURITIES CORPORATION**

**STATEMENT OF CASH FLOW**

**FOR THE YEAR ENDED DECEMBER 31, 2010**

|   |                  |
|---|------------------|
| Cash Flow From Operating Activities:  |                  |
| Net income  | \$ (8,651)       |
| Adjustment to reconcile net income to<br>net cash provided by (used in) operating activities: |                  |
| (Increase) decrease in accounts receivable  | (551)            |
| Increase (decrease) in accounts payable   | <u>(62)</u>      |
| Net cash flow provided by operating activities  | <u>(9,264)</u>   |
| Cash Flow From Investing Activities:  |                  |
| Purchase of furniture and equipment   | <u>-0-</u>       |
| Net cash flow provided by (used in)<br>investing activities                                   | <u>-0-</u>       |
| Cash Flow From Financing Activities:  |                  |
| Capital contributed net of distributions  | <u>-0-</u>       |
| Net cash flow provided by (used in)<br>financing activities                                   | <u>-0-</u>       |
| Net Increase (Decrease) In Cash   | (9,264)          |
| Cash At Beginning of Year   | <u>65,829</u>    |
| Cash At End of Year   | <u>\$ 56,565</u> |

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

## **KRAMER SECURITIES CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED DECEMBER 31, 2010**

##### **NOTE 1 - BUSINESS**

Kramer Securities Corporation (the "Company") was incorporated in Florida on April 15, 1969. The Company is a fully disclosed, introducing FINRA broker-dealer transacting business in stocks, mutual funds and direct participation programs. The Company maintains its records in conformity with the requirements of the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). The Company office is located in Miami, Florida.

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

**CASH AND CASH EQUIVALENTS** – The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents for the purposes of the statement of cash flows.

**RECEIVABLES FROM BROKER DEALERS** – Receivables from broker dealers are for commissions and dealer discounts. No allowance for doubtful collections has been recorded and bad debts are recorded when determinable.

**PROPERTY AND EQUIPMENT** – Property and equipment are stated at cost. Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. When equipment is disposed of, the cost and accumulated depreciation are written off at the time of disposal.

**REVENUE RECOGNITION** – Commission revenue and expense associated with transactions in securities, mutual funds and other products are recorded on a trade date basis.

**INCOME TAXES** – The Company, with the consent of its stockholders, elected to be an S Corporation under the Internal Revenue Code. All taxable income or loss flows through to the stockholders. Accordingly, no income tax expense or liability is recorded in the accompanying financial statements.

**USE OF 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 disclosures 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.

**KRAMER SECURITIES CORPORATION**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2010**

**NOTE 3 – CASH AND CASH EQUIVALANTS**

Cash and cash equivalents consists of the following:

|   |                 |
|---|-----------------|
| Cash in bank                                | \$2,245         |
| Cash held in deposit<br>by clearance broker | 10,003          |
| Money Market fund                           | <u>44,317</u>   |
|   | <u>\$56,565</u> |

**NOTE 4 – PROPERTY AND EQUIPMENT**

Property and equipment at December 31, 2010 consisted of the following:

|                               |                 |
|-------------------------------|-----------------|
| Furniture and equipment       | \$10,622        |
| Less accumulated depreciation | <u>(10,622)</u> |
|                               | <u>\$-0-</u>    |

Depreciation expense for the year ended December 31, 2010 was \$-0-.

**NOTE 5 – RELATED PARTY TRANSACTIONS AND LEASE COMMITMENT**

The Company leases office space from its stockholder on a month-to-month basis, at \$700 per month. Rent expense for the year ended December 31, 2010, was \$8,608.

**NOTE 6 – NET CAPITAL PROVISION OF RULE 15c3-1**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500%. At December 31, 2010, the Company had net capital of \$59,284, which was 54,284 in excess of its required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital is 0.12%.

**NOTE 7 – SUBSEQUENT EVENTS**

Subsequent events have been considered through the date of the report.

**KRAMER SECURITIES CORPORATION**  
**SUPPLEMENTARY INFORMATION REQUIRED BY RULE 17a5**  
**OF THE SECURITIES AND EXCHANGE COMMISSION**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

**I. EXEMPTION PURSUANT TO RULE 15c3-3**

Kramer Securities Corporation operates pursuant to the (k)(2)(ii) exemption under SEC Rule 15c3-3 and does not hold funds or securities. The Company is, therefore, exempt from the reserve formula calculations and possession and control computations.

**II. LIABILITIES SUBORDINATED TO CLAIMS OF CREDITORS**

During the year ended December 31, 2010, the Company had no liabilities subordinated to the claims of general creditors.

**III. RECONCILIATION OF THE COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1**

Pursuant to Rule 17a5(d)(4), there were no material differences in the computation of net capital in the Company's audited annual FOCUS report for the year ended December 31, 2010, and the computation of the net capital contained in the Company's corresponding unaudited Form X-17a-5 Part II filing for the quarter ended December 31, 2010.

# BRUCE D. SOULE, CPA, P.A.

CERTIFIED PUBLIC ACCOUNTANT

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## **INDEPENDENT ACCOUNTANT'S SUPPLEMENTARY REPORT ON INTERNAL ACCOUNTING CONTROL**

To the Board of Directors  
Kramer Securities Corporation  
Miami, Florida

In planning and performing my audit of the financial statements of Kramer Securities Corporation as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, I considered the Company's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, I do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5 of the Securities Exchange Commission (SEC), I 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 I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness for aggregate debits and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, I did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by 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

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 controls 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 previously 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 17a5(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, error 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.

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 deficiency, or a combination of 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.

My 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. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined previously.

I 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 my study, I believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2010, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, 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 and should not be used by anyone other than those specified parties

**BRUCE D. SOULE, CPA, P.A.**



**Certified Public Accountant**

**February 15, 2011**