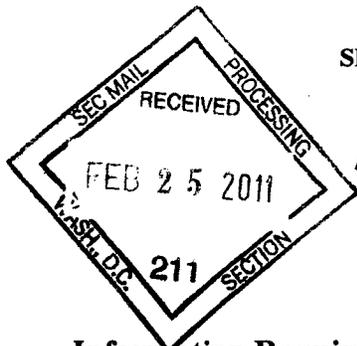


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UNITED STATE SECURITIES AND EXCHANGE Washington, D.C. 2



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MB APPROVAL

Number: 3235-0123

April 30, 2013

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

SEC FILE NUMBER

8-67450

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 January 1, 2010 AND ENDING December 31, 2010 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Welcome Life Securities, LLC ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) 6001 Broken Sound Parkway, Suite 320

OFFICIAL USE ONLY FIRM I.D. NO.

(No. and Street) Boca Raton FL 33487 (City) (State) (Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT Jared Smith 561-862-0241 (Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report* Salberg & Company, P.A. (Name - if individual, state last, first, middle name) 2295 NW Corporate Blvd., Suite 240 Boca Raton FL 33431-7328 (Address) (City) (State) (Zip Code)

CHECK ONE:

- [X] 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)

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OATH OR AFFIRMATION

I, Jared Smith, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Welcome Life Securities, LLC, 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:

NOTARY PUBLIC-STATE OF FLORIDA
Antonella Takvorian
Commission #DD998296
Expires: JUNE 07, 2014
BONDED THRU ATLANTIC BONDING CO., INC.

Jared Smith
Signature

FINOP/CFO

Title

Antonella Takvorian
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).



SALBERG & COMPANY, P.A.

Certified Public Accountants and Consultants

Report of Independent Registered Public Accounting Firm

To the Member of:

Welcome Life Securities, LLC

We have audited the accompanying statements of financial condition of Welcome Life Securities, LLC at December 31, 2010 and 2009 and the related statements of operations, changes in member's equity and cash flows for each of the two years in the period ended December 31, 2010 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 audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 Welcome Life Securities, LLC at December 31, 2010 and 2009 and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2010 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedule I and Supplementary Note 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 our 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.

SALBERG & COMPANY, P.A.

Boca Raton, Florida

February 9, 2011

2295 NW Corporate Blvd., Suite 240 • Boca Raton, FL 33431-7328

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Welcome Life Securities, LLC
Statements of Financial Condition
December 31, 2010 and 2009

	<u>Assets</u>	
	<u>2010</u>	<u>2009</u>
Current Assets		
Cash and cash equivalents	\$ 29,357	\$ 37,260
Prepaid expenses	6,275	5,443
Total Current Assets	35,632	42,703
Property and Equipment, net	-	1,080
Total Assets	\$ 35,632	\$ 43,783

Liabilities and Member's Equity

Current Liabilities		
Accrued payroll and other current liabilities	\$ 1,823	\$ -
Total Current Liabilities	1,823	-
Commitments (Note 6)		
Member's equity	235,700	235,300
Accumulated deficit	(201,891)	(191,517)
Total Member's Equity	33,809	43,783
Total Liabilities and Member's Equity	\$ 35,632	\$ 43,783

Welcome Life Securities, LLC
Statements of Operations

	For the year ended December 31, 2010	For the year ended December 31, 2009
Settlement Revenue	\$ 40,145	\$ 44,250
Operating Expenses		
Salaries and benefits	6,815	26,670
General and administrative	36,624	34,104
Rent expense (see Note 5)	6,000	6,000
Depreciation	1,080	1,452
Total Operating Expenses	50,519	68,226
Loss from Operations	(10,374)	(23,976)
Net Loss	\$ (10,374)	\$ (23,976)

See accompanying notes to financial statements

Welcome Life Securities, LLC
Statements of Changes in Member's Equity
Years Ended December 31, 2010 and 2009

	Member's Equity	Accumulated Deficit	Total Member's Equity
Balance, December 31, 2008	\$ 202,800	\$ (167,541)	\$ 35,259
Capital Contributions	32,500	-	32,500
Net Loss, 2009	-	(23,976)	(23,976)
Balance, December 31, 2009	\$ 235,300	\$ (191,517)	\$ 43,783
Capital Contributions	20,400	-	20,400
Distributions	(20,000)	-	(20,000)
Net Loss, 2010	-	(10,374)	(10,374)
Balance, December 31, 2010	\$ 235,700	\$ (201,891)	\$ 33,809

See accompanying notes to financial statements

Welcome Life Securities, LLC
Statements of Cash Flows

	<u>For the Year Ended December 31, 2010</u>	<u>For the Year Ended December 31, 2009</u>
Cash Flows from Operating Activities		
Net Loss	\$ (10,374)	\$ (23,976)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	1,080	1,452
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Prepaid expenses	(832)	1,756
Increase (decrease) in:		
Accounts payable	-	(424)
Accrued payroll and other current liabilities	1,823	(1,457)
Due to related party	-	-
Net Cash Used in Operating Activities	<u>(8,303)</u>	<u>(22,649)</u>
Cash Flows from Financing Activities		
Capital contributions	20,400	32,500
Capital distributions	(20,000)	-
Net Cash Provided by Financing Activities	<u>400</u>	<u>32,500</u>
Net Increase (Decrease) in Cash	(7,903)	9,851
Cash and Cash Equivalents at Beginning of Year	<u>37,260</u>	<u>27,409</u>
Cash and Cash Equivalents at End of Year	<u>\$ 29,357</u>	<u>\$ 37,260</u>
<u>Supplemental Disclosure of Cash Flow Information:</u>		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Taxes paid	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements

Welcome Life Securities, LLC
Notes to Financial Statements
For the Years Ended December 31, 2010 and 2009

Note 1 Nature of Operations and Summary of Significant Accounting Policies

(A) Nature of Operations

Welcome Life Securities, LLC (“WLS”), a subsidiary of Welcome Life Financial Group, was incorporated in the state of Florida in March 2006 and is a broker-dealer registered with the Securities and Exchange Commission (“SEC”). WLS is the first broker-dealer firm to exclusively serve the financial community as a variable life insurance settlement broker and to provide a fully compliant, turn-key platform for firms and their clients. Welcome Life Securities specializes in products and services exclusively in the secondary market for life insurance, providing broker-dealers and their registered representatives and senior clients with the experience, knowledge and education required to reach fully-informed life settlement decisions.

Welcome Life Securities connects senior clients with institutional funds by navigating the complex secondary market, combining personalized negotiations with a proven auction based platform. The firm ensures the life settlement transaction meets demanding industry regulations and requirements in the rapidly growing life settlement industry, including:

- Suitability
- Compliance
- Due Diligence
- Best Execution
- Training and Education
- Transparency & Proper Disclosures
- Principal Supervision

(B) Basis of Presentation

The accompanying financial statements have been prepared pursuant to Rule 17a-5 of the Securities and Exchange Commission Act of 1934. The classification and reporting of items appearing on the financial statements are consistent with that rule.

(C) Use of Estimates

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

(D) Cash and Cash Equivalents

For purposes of the cash flow statement, WLS considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

(E) Concentrations

Concentration of Credit Risk

Welcome Life Securities, LLC
Notes to Financial Statements
For the Years Ended December 31, 2010 and 2009

WLS maintains its cash in bank deposit accounts. There were no bank deposits in excess of federally insured limits at December 31, 2010. WLS has not experienced any losses in such accounts through December 31, 2010.

Concentration of Vendors and Revenue

In 2010 and 2009, two and three “Providers”, respectively, each represented over 10% of WLS settlement revenue and accounted for 100% of our settlement revenue.

In 2010, two customers each represented over 10% of WLS revenues and accounted for 100% of our total revenues. In fiscal 2009, three customers each represented over 10% of all WLS revenues and accounted for 100% of our total revenues.

(F) Property and Equipment

Property and Equipment is stated at cost, less accumulated depreciation. Expenditures for repairs and maintenance is charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is three years for computer equipment and software.

(G) Long-Lived Assets

WLS reviews long-lived assets and certain identifiable assets related to those assets for impairment recognition whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recoverable. If the undiscounted future cash flows is less than the carrying amount, the carrying amount is reduced to fair value and an impairment loss is recognized.

(H) Revenue Recognition

WLS recognizes revenue when there is persuasive evidence of an arrangement, the service has been completed, the sales price is fixed or determinable, and collectability is reasonably assured. Specifically, WLS recognizes revenues when earned, which occurs after expiration of the rescission date discussed below. Specifically, when the policy transfer is completed between an individual and the life settlement provider (the closing date), the provider’s escrow company forwards to WLS commission for services rendered. At this point, the individual seller of the policy has either 15 or 30 days (depending on the State) to rescind the transaction. During a rescission period, WLS will record any commissions received as deferred revenues.

(I) Advertising

In accordance with ASC 720-35 costs incurred for producing and communicating advertising of WLS, are charged to operations as incurred. WLS incurred advertising expense for the years ended December 31, 2010 and 2009 of \$0 and \$100 respectively.

(J) Income Taxes

Welcome Life Securities, LLC
Notes to Financial Statements
For the Years Ended December 31, 2010 and 2009

WLS has elected under the Internal Revenue Code to be taxed as a Limited Liability Corporation (“LLC”). In lieu of Corporation income taxes, members of a “LLC” Corporation are taxed on their proportionate share of WLS’s taxable income. Therefore, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

(K) Fair Value of Financial Instruments

ASC 820 requires disclosures of information about the fair value of certain financial instruments for which it is practicable to estimate that value. For purposes of this disclosure, the fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation. The carrying amounts of WLS’s short-term financial instruments, including accounts payable, and accrued expense approximate fair value due to the relatively short period to maturity for these instruments.

Note 2 Property and Equipment

Property and equipment for the years ended is as follows:

	December 31, 2010	December 31, 2009
Computer Equipment and Software	\$ 4,341	4,341
Less accumulated depreciation	(4,341)	(3,261)
Property and Equipment, net	\$ -	1,080

Depreciation expense for the year ended December 31, 2010 and 2009 was \$1,080 and \$1,452, respectively.

Note 3 Member’s Equity

The Company entered into an operating agreement with Welcome Life Financial Group, LLC (the “Member”) which sets forth the rights, obligations, and duties with respect to WLS. The Member has the right, but is not required, to make capital contributions upon request of WLS. The Member may require WLS to make distributions of cash or property at such times and amounts as it determines, subject to regulatory limitations and approval.

During the year ended December 31, 2010 and 2009, the Member made capital contributions of \$20,400, and \$32,500, respectively. During the year ended December 31, 2010, the Company made distributions of \$20,000 to the Member.

Note 4 Net Capital Requirements

WLS 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 15 to 1.

Welcome Life Securities, LLC
Notes to Financial Statements
For the Years Ended December 31, 2010 and 2009

At December 31, 2010, WLS had net capital of \$27,534, which was \$22,534 in excess of its required net capital of \$5,000. WLS' aggregated indebtedness to net capital ratio was 6.6%.

At December 31, 2009, WLS had net capital of \$37,260, which was \$32,260 in excess of its required net capital of \$5,000. WLS' aggregated indebtedness to net capital ratio was 0.0%.

Note 5 Related Party Transactions

In December 2009, WLS entered into a Sublease Agreement ("Sublease Agreement") with Welcome Life Financial Group, LLC ("WLF"), its parent company. The Sublease Agreement is for a period of one year and is automatically renewable in one-year increments. Under the terms of the Sublease Agreement, WLS is provided office space, furniture and computer rental, telecommunications and computer services. The monthly fee under the Sublease Agreement is \$500 per month. The total rent expense to this related party was \$6,000 in each of 2010 and 2009.

On November 1, 2007, WLS entered into an Expense Sharing Agreement ("Expense Sharing Agreement") with WLF. Under the terms of the Expense Sharing Agreement, if requested, WLF shall provide WLS personnel and support services that are customarily required to the functioning of WLS' business. Amounts are allocated on a monthly basis in accordance with the percentage of time spent by WLF staff on WLS activities. The Expense Share Agreement is for a period of one year and is automatically renewable in one-year increments. There were no expenses incurred under the Expense Sharing Agreement in 2010 or 2009.

WLS has been dependent upon its parent company for funding from inception in March 2006 through December 31, 2010.

Note 6 Commitments

WLS was a party to a Sub-lease Agreement (refer to Note 5) which commenced January 1, 2011 and expires on December 31, 2011.

Future minimum lease payments are as follows:

2011	\$	<u>6,000</u>
Total	\$	<u>6,000</u>

Note 7 Subsequent Events

In preparing these financial statements, the Company has evaluated events and transactions for potential recognition on disclosure through February 9, 2011, the date the financial statements were available to be issued.

Welcome Life Securities, LLC

Supplemental Information

Welcome Life Securities, LLC
Schedule I
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission

	December 31,	
	2010	2009
Net Capital Computation		
Total Member's Equity	\$ 33,809	\$ 43,783
Deductions and/or Charges	<u>(6,275)</u>	<u>(6,523)</u>
Net Capital Before Haircuts	27,534	37,260
Haircuts	<u>-</u>	<u>-</u>
Net Capital	27,534	37,260
Required Minimum Capital	<u>5,000</u>	<u>5,000</u>
Excess Net Capital	<u>\$ 22,534</u>	<u>\$ 32,260</u>
Aggregate Indebtedness		
Aggregate Indebtedness as Included in Statement of Financial Condition		
Accrued Payroll and Other Current Liabilities	1,823	-
	<u>\$ 1,823</u>	<u>\$ -</u>
Ratio of Aggregated Indebtedness to Net Capital	<u>6.6%</u>	<u>0.0%</u>
Reconciliation with WLS' Computation (included in Part II of Form X-17A-5 as of December 31, 2010 and 2009)		
Net Capital, per December 31, 2010 & 2009, Unaudited FOCUS Report, as filed	\$ 27,534	\$ 37,260
Net Audit Adjustments	-	-
Net Capital, per the December 31, 2010 and 2009 Audited Report	<u>\$ 27,534</u>	<u>\$ 37,260</u>

**Welcome Life Securities, LLC
Supplementary Note**

**Supplementary Information Pursuant to Rule 17a-5 of the
Securities and Exchange Act of 1934
December 31, 2010 and 2009**

WLS is exempt from SEC Rule 15c3-3 under paragraph (k)(2)(i) of the rule, as no customer funds or securities are held.

Therefore, the following reports are not presented:

1. Computation for Determination of Reserve Requirement under Rule 15c3-3 of the Securities and Exchange Commission.
2. Information Relating to the Possession or Control Requirements under Rule 15c3-3 of the Securities and Exchange Commission.

Report of Independent Registered Public Accounting Firm on Internal Controls

To the Member of:

Welcome Life Securities, LLC

In planning and performing our audits of the financial statements of Welcome Life Securities, LLC (the "Company"), at and for the years ended December 31, 2010 and 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 (SEC), we have made a study of the practices and procedures followed by the Company including 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 (or 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, we 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 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 accounting principles generally accepted in the United States. 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, 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

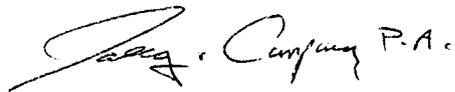
deficiencies, in internal control over financial reporting that is less severe than a material weakness yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

A *material weakness* is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected 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 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, 2010 and 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 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.



SALBERG & COMPANY, P.A.
Boca Raton, Florida
February 9, 2011

Welcome Life Securities, LLC

**Financial Statements
and Supplemental Information**

For the Years Ended December 31, 2010 and 2009

WELCOME LIFE SECURITIES, LLC

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