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

OMB APPROVAL
OMB Number: 3235-0123
Expires: April 30, 2013
Estimated average burden
hours per response..... 12.00



12013292

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

SEC
Mail Processing
Section

SEC FILE NUMBER
8- 52622

FEB 28 2012

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 1/1/11 AND ENDING 12/31/11
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: HALEY SECURITIES, INC.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

10703 J STREET, SUITE 102

(No. and Street)

OMAHA, NE 68127

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
SHIRLEY OVERLY 402.397.0780

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

GORACKE AND ASSOCIATES, PC

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

12110 PORT GRACE BLVD, STE 2001 LA VISTA, NE 68128

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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AB
3/16

OATH OR AFFIRMATION

I, SHIRLEY OVERLY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of HALEY SECURITIES, INC. of DECEMBER 31, 20 11, 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:

HEATHER M. SILVA
General Notary
State of Nebraska
My Commission Expires Nov 20, 2015

Heather M Silva
Notary Public

Shirley Overly
Signature
PRESIDENT
Title

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).

HALEY SECURITIES, INC.

FINANCIAL STATEMENTS

Year Ended
December 31, 2011



GORACKE & ASSOCIATES, P.C.
Certified Public Accountants

Haley Securities, Inc.

Table of contents

	Page
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM	1
FINANCIAL STATEMENTS	
Statement of Financial Condition	2
Statement of Operations	3
Statement of Changes in Stockholders' Equity	4
Statement of Changes in Liabilities Subordinated To Claims of General Creditors	5
Statement of Cash Flows	6
Notes to Financial Statements	7 - 9
SUPPLEMENTARY SCHEDULES	
Computation of Aggregate Indebtedness and Net Capital in Accordance with Rule 15c3-1	11
Reconciliation of Net Capital and Aggregate Indebtedness per Audit Report to Client's Focus Report	12
Statement on Exemption under SEC Rule 15c3-3:	
Information Relating to Possession or Control Requirements	13
Computation of Reserve Requirement	14
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL	15 - 16



GORACKE & ASSOCIATES, P.C.

Certified Public Accountants

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Haley Securities, Inc.
Omaha, Nebraska

We have audited the accompanying Statement of Financial Condition of Haley Securities, Inc., a Nebraska S Corporation, as of December 31, 2011, and the related statements of operations, changes in stockholders' equity, changes in liabilities subordinated to claims of general creditors, and cash flows 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. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included 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 Haley Securities, Inc., as of December 31, 2011, 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 the schedules on pages 11-13 is presented for the purposes of additional analysis and is not a part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities and Exchange Act of 1934 and the Securities Investor Protection Corporation. 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.

Goracke & Associates, P.C.

La Vista, Nebraska
February 12, 2012

HALEY SECURITIES, INC.
 STATEMENT OF FINANCIAL CONDITION
 December 31, 2011

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 212,719
Investment in certificate of deposit	33,410
Receivable - other	1,128
CRD - Escrow	1,110
Prepaid expenses	<u>16,662</u>

Total current assets 265,029

FURNITURE AND EQUIPMENT

Furniture and equipment	16,797
Less accumulated depreciation	<u>(14,086)</u>

Net furniture and equipment 2,711

TOTAL ASSETS \$ 267,740

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 7,212
Accrued expenses	<u>1,707</u>

Total current liabilities 8,919

STOCKHOLDERS' EQUITY

Common stock; \$1 par value; 10,000 shares authorized and 1,000 shares issued and outstanding	1,000
Retained earnings	<u>257,821</u>

Total stockholders' equity 258,821

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY \$ 267,740

See accompanying notes to financial statements.

HALEY SECURITIES, INC.

STATEMENT OF OPERATIONS

December 31, 2011

REVENUES

Placement fees	\$	1,283,202
Interest		<u>505</u>
Total revenues		1,283,707

EXPENSES

Commissions		712,933
Computer services		3,066
Continuing education		3,870
Dues and subscriptions		3,954
Employee benefits		8,934
Equipment rental		1,717
Insurance		10,853
Licenses and permits		19,016
Meals and lodging		5,224
Miscellaneous		3,258
Office		5,178
Salary		365,493
Professional fees		52,137
Rent		13,190
Taxes - payroll		40,117
Taxes - other		1,217
Travel		16,781
Utilities		8,153
Depreciation		<u>1,649</u>

Total expenses		<u>1,276,740</u>
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NET INCOME	\$	<u><u>6,967</u></u>
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See accompanying notes to financial statements.

HALEY SECURITIES, INC.

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

December 31, 2011

	<u>Issued Shares</u>	<u>Common Stock</u>	<u>Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Stockholders' Equity</u>
December 31, 2010	1,000	\$ 1,000	\$ -	\$ 250,854	\$ 251,854
Net Profit	-	-	-	6,967	6,967
December 31, 2011	<u>1,000</u>	<u>\$ 1,000</u>	<u>\$ -</u>	<u>\$ 257,821</u>	<u>\$ 258,821</u>

See accompanying notes to financial statements.

HALEY SECURITIES, INC.
STATEMENT OF CHANGES IN LIABILITIES
SUBORDINATED TO CLAIMS OF GENERAL CREDITORS
Year Ended December 31, 2011

Subordinated Liabilities, December 31, 2010	\$ -
Increases	\$ -
Decreases	\$ -
Subordinated Liabilities, December 31, 2011	<u>\$ -</u>

See accompanying notes to financial statements.

HALEY SECURITIES, INC.
 STATEMENT OF CASH FLOWS
 Year Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES

Net Income	\$ 6,967
Adjustments to reconcile net loss to net cash used by operating activities:	
Depreciation	1,649
Increase in investments in certificate of deposit	(156)
Increase in receivable - other	(391)
Decrease in CRD - Escrow	1,225
Decrease in prepaid expenses	726
Decrease in accounts payable	(798)
Increase in accrued expenses	128
	<u>9,350</u>
Net cash used by operating activities	\$ <u>9,350</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS

	9,350
Cash and Cash Equivalents, Beginning of the Year	<u>203,369</u>
Cash and Cash Equivalents, End of the Year	<u>\$ 212,719</u>

Supplemental Disclosure of Cash Flow Information:

Cash paid for interest	<u>\$ -</u>
Cash paid for taxes	<u>\$ -</u>

See accompanying notes to financial statements.

Haley Securities, Inc.

Notes to Financial Statements

NOTE A NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Haley Securities, Inc. and notes are representations of the Company's management, who are responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting policies generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Activity

Haley Securities, Inc. is a Nebraska S Corporation that operates as a registered broker-dealer and acts as an agent in the sale of real estate interests for limited partnerships in which the Company's stockholders are a partner or manager. It is regulated by the Securities Exchange Commission and is under the jurisdiction of FINRA (Financial Industry Regulatory Authority). FINRA is the largest independent regulator for all securities firms doing business in the United States.

Basis of Accounting

The Company prepares its financial statements on the accrual basis using generally accepted accounting principles.

Revenue Recognition

The Company recognizes commission revenue when the real estate limited partnership accepts the completed application of the investor, has ensured that the investor meets the qualification standards required by the SEC and has posted the investor's fund to an ownership interest which happens twice per month. At that point the revenue has been earned by the Company.

Use of Estimates

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

Furniture and Equipment

Furniture and equipment are stated at cost. Depreciation is computed using the declining-balance method over the estimated useful lives of the related assets. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any resulting gain or loss on disposition is reflected in operations. Repairs and maintenance are expensed as incurred; expenditures for additions, improvements and replacements are capitalized. Depreciation expense for the year ended December 31, 2011 was \$1,649.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Compensated Absences

Full-time year round employees are entitled to paid vacations depending on the length of services and other factors. Accrued vacation pay at December 31, 2011 was deemed immaterial and not accrued.

Haley Securities, Inc.

Notes to Financial Statements

NOTE A NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Income Taxes

The Company elected to be taxed under the provisions of subchapter S of the Internal Revenue Code. The income of the Company is passed through to the individual stockholders who report it on their personal tax returns. Therefore, there is no provision or liability for federal or state income taxes reflected in these financial statements. The income allocable to each shareholder is subject to examination by federal and state taxing authorities. In the event of an examination of the income tax returns, the tax liability of the shareholders could be changed if an adjustment in the income is ultimately determined by the taxing authorities.

Certain transactions of the Company may be subject to accounting methods for income tax purposes that differ significantly from the accounting methods used in preparing the financial statements in the accordance with generally accepted accounting principles. Accordingly, the taxable income of the Company reported for income tax purposes may differ from net income in these financial statements.

The Company has adopted the provisions of FASB ASC 740-10, "Accounting for Uncertain Tax Positions". The Company continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. Management does not expect the interpretation will have a material impact (if any) on its results from operations or financial position.

No interest or penalties have been accrued for the year ended December 31, 2011. The federal and state income tax returns of the Company for 2010, 2009, 2008 are subject to examination by the IRS and state taxing authorities, generally for 3 years after they are filed.

NOTE B NET CAPITAL REQUIREMENTS

The Company, as a registered broker-dealer, is subject to the Uniform Net Capital Rule (Rule 15c3-1) of the Securities Exchange Act of 1934. This rule requires the Company to maintain net capital of at least \$5,000 or 6 and 2/3 percent of "aggregated indebtedness", whichever is greater. In addition, the Company is not permitted to exceed a ratio of aggregate indebtedness to net capital of 15 to 1, both as defined in the Rule. At December 31, 2011 the Company had net capital of \$237,126 which was \$232,126 in excess of its requirement. The Company's ratio of aggregate indebtedness to net capital was .0376 to 1 at December 31, 2011.

NOTE C RELATED PARTY TRANSACTIONS

The Company subleases their copier and postage meter to Haley Communities Limited Partnership Fund No. 1, Haley Associates Limited Partnership, and Haley Real Estate Group. They also charge for office supplies, reimbursement of shareholder's cell phone, and related legal fees. The Company is included in Dial Equities, Inc. health insurance, 401K plan, and they lease office space, office phone, and supplies. The Company also rents office space from an entity that is affiliated with the shareholders through common ownership. Total rent paid to that entity was \$6,944 plus common area maintenance fees of \$6,126 during the year ended December 31, 2011.

Haley Securities, Inc.

Notes to Financial Statements

NOTE C RELATED PARTY TRANSACTIONS – Continued.

Related party expenses for the year ended December 31, 2011:

Haley Communities Limited Partnership Fund No. 1	\$ 4,737
Blue Moon	13,070
Haley Associates LTD	5,071
Haley Real Estate Group	7,446
Dial Equities, Inc.	52,908
Total related party expenses	<u>\$ 83,232</u>

The shareholders of the Company are affiliated with Haley Communities Limited Partnership Fund No. 1, Haley Associates Limited Partnership, and Haley Real Estate Group through common ownership. Haley Communities Limited Partnership Fund No. 1 paid placement fees of 9% for all equity raised by the Company in 2011. The placement fees (revenue) paid by Haley Communities Limited Partnership Fund No. 1 to the Company for the year ended December 31, 2011 were \$1,283,202.

NOTE D CONCENTRATIONS

100% of placement fees were generated from a single equity raise completed for Haley Communities Limited Partnership Fund No. 1 for the year ended December 31, 2011 (see Note C). The Company's cash balances are in one financial institution. The Federal Deposit Insurance Corporation insures balances up to \$250,000. At times the balances in the Company's accounts may exceed this limit. The Company is also a member of the Securities Investor Protection Corporation (SIPC), a nonprofit organization that assists investors when a brokerage firm closes due to bankruptcy or other financial difficulties. SIPC works to return customers' cash, stock, and other securities, and other customer property that may be missing from their account. It does not cover individuals who sold worthless stocks and other securities but rather helps customers when stocks and other securities are stolen or put at risk when a brokerage fails for other reasons. Securities in accounts transacted by the Company are protected in accordance with SIPC rules up to \$500,000 including \$250,000 cash.

NOTE E RESTRICTED CASH

The CRD – Escrow account contains restricted cash used to pay for new or renewal licensing fees to federal and state agencies.

Haley Securities, Inc.

Notes to Financial Statements

NOTE F COMMITMENTS

The Company leases its office space, copier and a postage meter. The office space is leased from a related party as discussed in Note C. Future minimum rental commitments under these non-cancellable leases are as follows as of December 31, 2011:

For the Year Ending December 31,	Office Lease	Postage Meter	Copier Lease
2011	\$ 6,627	\$ 928	\$ 4,362
2012	6,944	928	
2013	6,944	928	
2014	7,062	928	
2015	7,415	696	
Total	<u>\$34,992</u>	<u>\$4,408</u>	<u>\$4,362</u>

NOTE G EMPLOYEE BENEFIT PLAN

The Company has an qualified 401(k) plan which covers substantially all employees meeting certain eligibility requirements. Participants may contribute a portion of their compensation to the plan, up to the maximum amount permitted under Section 401(k) of the Internal Revenue Code. The Company matches the employee contributions up to 4% of eligible wages. The Company's matching contribution was \$7,510 for the year ended December 31, 2011.

NOTE H SUBSEQUENT EVENTS

The Company has evaluated transactions and events that could impact the financial statements for the year ended December 31, 2011 through February 12, 2011, which is the date of the financial statements were available to be issued. There were no subsequent events requiring disclosure or recognition in the financial statements.

HALEY SECURITIES, INC.

COMPUTATION OF AGGREGATE INDEBTEDNESS AND NET CAPITAL IN ACCORDANCE WITH RULE 15c3-1

December 31, 2011

Aggregate Indebtedness:

Total Liabilities		<u>\$ 8,919</u>
Total Aggregate Indebtedness		<u>8,919</u>

Net Capital:

Credit items:

Common stock	\$ 1,000	
Additional paid-in capital	-	
Retained earnings	<u>257,821</u>	258,821

Deduct Nonallowable Assets:

Property and other assets, net of accumulated depreciation	2,711	
Prepaid and other assets	18,900	
Haircut on securities	<u>84</u>	<u>21,695</u>

Net Capital		<u><u>\$ 237,126</u></u>
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Capital Requirements:

Minimum dollar requirements		\$ 5,000
Net Capital exceeding requirements		<u>232,126</u>
Net Capital		<u><u>\$ 237,126</u></u>

Percentage of Aggregate Indebtedness
to Net Capital

3.76%

HALEY SECURITIES, INC.

RECONCILIATION OF NET CAPITAL AND AGGREGATED INDEBTEDNESS PER AUDIT REPORT TO CLIENT'S FOCUS REPORT December 31, 2011

Aggregate indebtedness per audit report	\$	8,919
Aggregate indebtedness per FOCUS report		<u>8,919</u>
Difference	\$	-
Net capital per audit	\$	258,821
Nonallowable assets per FOCUS REPORT		(21,695)
Net capital per FOCUS report		<u>237,126</u>
Difference	\$	-

HALEY SECURITIES, INC.
INFORMATION RELATING TO POSSESSION
OR CONTROL REQUIREMENTS
December 31, 2011

This firm claims exemptions to SEC Rule 15c3-3 pursuant to subparagraph (k)(2)(i).

HALEY SECURITIES, INC.
COMPUTATION OF RESERVE REQUIREMENT
December 31, 2011

This firm claims exemptions to SEC Rule 15c3-3 pursuant to subparagraph (k)(2)(i).



**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
REPORT ON INTERNAL CONTROL**

To the Board of Directors
Haley Securities, Inc.
Omaha, Nebraska

In planning and performing our audit of the financial statements of Haley Securities, Inc. (the Company) as of and for the year ended December 31, 2011 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 (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:

Making quarterly securities examinations, counts, verifications and comparisons and recordation of differences required by rule 17a-13.

Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve T of the Board of Governors of the Federal Reserve System.

Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by Rule 15c3-3.

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 objectives of internal control and the 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. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph. Because of inherent limitations of internal control or the practices and procedures

referred to above, error or fraud may occur and not be detected. Also, projections 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 effectiveness of their design and operation may deteriorate.

A *control deficiency* in internal control 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 and correct 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, such that there is a reasonable possibility that a material misstatement of the entity'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 paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. However we identified the following deficiencies in internal control that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing and extent of the procedures performed in our audit of the financial statements of Haley Securities, Inc. as of and for the year ended December 31, 2011 and this report does not affect our report thereon dated February 12, 2012.

Segregation of Duties

The Company lacks a full separation of duties considered important to a system of internal controls. This lack of separation of duties is typical in companies of this size.

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 the 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, 2011, 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 and Exchange Act of 1934 in their regulation of registered brokers and dealers, and is intended to be and should not be used by anyone other than these specified parties.

Goracke & Associates, P.C.

La Vista, Nebraska
February 12, 2012