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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



12014181

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

RECEIVED  
FEB 29 2012  
SEC. 17A-5 SECTION  
PROCESSING  
WASH. D.C. SECTION

SEC FILE NUMBER  
8-68456

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/2011 AND ENDING 12/31/2011  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Larson Financial Securities, LLC

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

1015 Corporate Square Dr., Suite 300

(No. and Street)

Saint Louis Missouri 63132  
(City) (State) (Zip Code)

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

Jaret D. Perryman 314 787-7436  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

Mueller Prost PC

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

7733 Forsyth Blvd., Suite 1200 Saint Louis Missouri 63105  
(Address) (City) (State) (Zip Code)

**CHECK ONE:**

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

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\*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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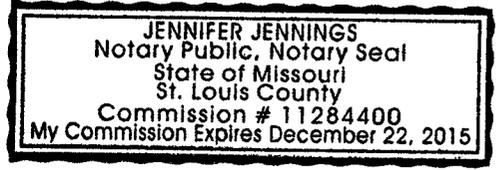
OATH OR AFFIRMATION

I, Jaret D. Perryman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Larson Financial Securities, LLC, as of December 31st, 2011, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Jaret D. P. \_\_\_\_\_  
Signature  
Jaret D. Perryman  
CFO & CCO  
\_\_\_\_\_  
Title

J. G. \_\_\_\_\_  
Notary Public



This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

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**LARSON FINANCIAL SECURITIES LLC**

**FINANCIAL STATEMENTS, ADDITIONAL INFORMATION AND  
REPORT ON INTERNAL CONTROLS**

**DECEMBER 31, 2011**

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**Mueller Prost PC**  
CPAs + Business Advisors

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St. Charles | 2460 Executive Drive | St. Charles | MO | 63303

To the Board of Directors and Stockholders  
Larson Financial Securities LLC  
St. Louis, Missouri

**INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying statement of financial condition of *Larson Financial Securities LLC* (the "Company"), as of December 31, 2011, and the related statements of income, changes in members' equity, and cash flows for the year then ended that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 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 *Larson Financial Securities LLC* 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 of the financial statements of *Larson Financial Securities LLC* for December 31, 2011 was made for the purpose of forming an opinion on the financial statements taken as a whole. The additional information, as listed a page at the table of contents, required by Rule 17a-5 under the Securities and Exchange Act of 1934 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

February 27, 2012  
St. Louis, Missouri

*Mueller Prost PC*

Certified Public Accountants

## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
STATEMENT OF FINANCIAL CONDITION	2
STATEMENT OF INCOME	3
STATEMENT OF MEMBER'S EQUITY	4
STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6 - 8
ADDITIONAL INFORMATION	
COMPUTATION OF NET CAPITAL	9
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT AND COMPUTATION OF AGGREGATE INDEBTEDNESS	10
EXEMPTIVE PROVISION AND SCHEDULED WITHDRAWALS	11
INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROLS	12 - 13

**LARSON FINANCIAL SECURITIES LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2011**

**ASSETS**

Current Assets		
Cash	\$	547,067
Accounts receivable - brokers		13,444
Prepaid assets		6,904
Deposits		<u>9,305</u>
Total Current Assets		<u>576,720</u>
Total Assets	\$	<u><b>576,720</b></u>

**LIABILITIES AND MEMBER'S EQUITY**

Liabilities		
Accrued other	\$	<u>10,000</u>
Total Liabilities		<u>10,000</u>
Member's Equity		<u>566,720</u>
Total Liabilities and Member's Equity	\$	<u><b>576,720</b></u>

**LARSON FINANCIAL SECURITIES LLC**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Income		
Commissions		\$ 7,077,237
Interest		<u>577</u>
Total Income		<u>7,077,814</u>
Expense		
Broker commissions		6,341,825
Insurance		2,503
Licenses and permits		29,806
Management fees		41,599
Professional fees		34,177
Other		<u>1,827</u>
Total Expense		<u>6,451,737</u>
Net Income		<b>\$ <u>626,077</u></b>

**LARSON FINANCIAL SECURITIES LLC**  
**STATEMENT OF MEMBER'S EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance at January 1, 2011	\$	190,643
Distributions to member		(250,000)
Net income		<u>626,077</u>
Balance at December 31, 2011	\$	<u><b>566,720</b></u>

**LARSON FINANCIAL SECURITIES LLC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

Cash Provided by Operating Activities	
Net income	\$ <u>626,077</u>
Adjustments to reconcile net income to net cash provided by operating activities	
Accounts receivable - brokers	186
Prepaid expenses	4,646
Deposits	(7,644)
Accrued expenses	5,000
Accrued commissions	<u>(19,048)</u>
Total Adjustments	<u>(16,860)</u>
Net Cash Provided by Operating Activities	<u>609,217</u>
 Cash Flows from Financing Activities	
Distributions to member	<u>(250,000)</u>
Net Cash used in Financing Activities	<u>(250,000)</u>
 Increase (Decrease) in Cash	359,217
 Cash - Beginning of the Year	<u>187,850</u>
 Cash - End of the Year	<b>\$ <u>547,067</u></b>

**LARSON FINANCIAL SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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This summary of significant accounting policies is presented to assist in understanding Larson Financial Securities, LLC's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Business Activity**

Larson Financial Securities, LLC (the "Company") is a registered securities broker-dealer that specializes in variable insurance, mutual funds and municipals. The Company was formed in November 2009 and began operations in July 2010. The Company does not hold funds or securities for, or owe money or securities to customers, and does not otherwise carry customer accounts. Accordingly, the Company is exempt from Securities and Exchange Commission Rule 15c3-3.

**Recognition of Income and Expenses**

Commission income and associated broker commission fees related to securities transactions are recognized when the premiums are (1) paid by the insured to the carrier of the insurance policies (2) accepted by the insurance carrier and (3) remitted to the Company. Because of the investment nature of variable universal life policies and the industry's historical experience, the payment of premium is treated as the trade date of the security. Pursuant to an agreement with one carrier, the carrier has the right to charge the Company for premiums paid that are deemed by the carrier to be unearned upon a customer's cancellation of coverage. The Company does not anticipate cancellation by its customers and therefore, no reserve for refund to the carrier has been recorded.

**Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits**

The Company maintains its cash accounts in several commercial banks. The majority of the balances are insured by the Federal Deposit Insurance Corporation up to \$250,000 for the year ended December 31, 2011. At various times throughout the year ended December 31, 2011, the Company's cash balances have exceeded the insured limits.

**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 certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**Accounts Receivable - Brokers**

The Company pays certain required insurance coverage on behalf of the brokers. These amounts are subsequently reimbursed to the Company in the form of withheld commissions due to the respective broker. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At December 31, 2011, there was no allowance balance required.

**LARSON FINANCIAL SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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**Income Taxes**

The Company is a single member Missouri limited liability company and operates under an Operating Agreement, that provides for, among other things, the continuation of the Company for a perpetual term, unless terminated as provided for in the Operating Agreement. In addition, as provided for in the Operating Agreement, no member or manager shall be personally liable for any debts of the Company, unless personally guaranteed by the member or manager pursuant to a separate document.

The Company follows the guidance of "FASB Accounting Standards Codification 740-10, *Income Taxes – Overall*" as of and for the year ending December 31, 2011. Included in this is a requirement under *Accounting for Uncertainty in Income Taxes* that realization of an uncertain income tax position must be "more likely than not" (i.e., greater than 50% likelihood of receiving a benefit or expense) before it should be recognized in the financial statements. Further, the code section prescribes the benefit or expense to be recorded in the financial statements as the amount most likely to be realized assuming a review by tax authorities having all relevant information and applying current conventions. The code section also clarifies the financial statement classification of potential tax-related penalties and interest and sets forth new disclosures regarding unrecognized tax benefits or expense. The Company has assessed its federal and state tax positions and determined there were no uncertainties or possible related effects that need to be recorded as of or for the year ended December 31, 2011.

The federal and state income tax returns of the Company for 2011 and 2010 are subject to examination by the respective taxing authorities generally for three years after they were filed.

**Statement of Cash Flows**

For purposes of the statement of cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than three months, which are not held for sale in the ordinary course of business.

**Subsequent Events**

Management has evaluated subsequent events through February 27, 2012, the date which the financial statements were available to be issued.

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**NOTE 2      NET CAPITAL REQUIREMENTS**

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The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule ("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. The Company had net capital of \$537,067 which was \$532,067 in excess of its required minimum net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .0187 to 1.

**LARSON FINANCIAL SECURITIES, LLC**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3      AFFILIATED PARTY**

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The Company has an agreement with an affiliated company, Larson Financial Group ("LFG"), whereby LFG furnishes office space and management services in connection with the development, promotion, management and operation of the Company's business, in exchange for a \$3,466 monthly fee and approximately 45% of the gross revenues of the Company before the deduction of any accounts payable of the Company. The Company paid \$3,105,628 to LFG for these occupancy expenses during the year ended December 31, 2011.

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**NOTE 4      CONCENTRATIONS**

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The Company earned a substantial portion of its income for commissions earned on the sale of variable universal life insurance policies. Income earned on commissions from these products represented 96% of income for the year ended December 31, 2011.

Larson Financial Services, LLC  
 Computation of Net Capital  
 December 31, 2011

1. Total ownership equity from Statement of Financial Condition .....	\$	566,720	3480
2. Deduct ownership equity not allowable for Net Capital .....	(		3490
3. Total ownership equity qualified for Net Capital .....		566,720	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....			3520
B. Other (deductions) or allowable credits (List) .....			3525
5. Total capital and allowable subordinated liabilities .....	\$	566,720	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	\$	29,653	3540
B. Secured demand note deficiency .....			3590
C. Commodity futures contracts and spot commodities- proprietary capital charges .....			3600
D. Other deductions and/or charges .....			3610
7. Other additions and/or allowable credits (List) .....			3630
8. Net Capital before haircuts on securities positions .....	\$	537,067	3640
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)) :			
A. Contractual securities commitments .....	\$		3660
B. Subordinated securities borrowings .....			3670
C. Trading and investment securities:			
1. Exempted securities .....			3735
2. Debt securities .....			3733
3. Options .....			3730
4. Other securities .....			3734
D. Undue concentration .....			3650
E. Other (List) .....			3736
10. Net Capital .....	\$	537,067	3750

OMIT PENNIES

**Larson Financial Services, LLC**  
**Computation of Basic Net Capital Requirement**  
**and Computation of Aggregate Indebtedness**  
**December 31, 2011**

**Part A**

11. Minimum net capital required (6-2/3% of line 19)	\$	667	3756
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	3758
13. Net capital requirement (greater of line 11 or 12)	\$	5,000	3760
14. Excess net capital (line 10 less 13)	\$	532,067	3770
15. Net capital less greater of 10% of line 19 or 120% of line 12	\$	531,067	3780

**COMPUTATION OF AGGREGATE INDEBTEDNESS**

16. Total A.I. liabilities from Statement of Financial Condition	\$	10,000	3790
17. Add:			
A. Drafts for immediate credit	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	3810	
C. Other unrecorded amounts (List)	\$	3820	3830
19. Total aggregate indebtedness	\$	10,000	3840
20. Percentage of aggregate indebtedness to net capital (line 19 divided by line 10)	%	1.86	3850
21. Percentage of debt to debt-equity total computed in accordance with Rule 15c-3-1(d)	%	0.00	3860

**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	\$	3870
23. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	3880
24. Net capital requirement (greater of line 22 or 23)	\$	3760
25. Excess net capital (line 10 less 24)	\$	3910
26. Net capital in excess of the greater of: 5% of combined aggregate debit items or 120% of minimum net capital requirement	\$	3920

There are no material differences between the preceding computation and the Company's corresponding unaudited part II of Form X-17A-5 as of December 31, 2011.

**Larson Financial Services, LLC**  
**Exemptive Provision and Scheduled Withdrawals**  
**December 31, 2011**

**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 ..... X 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  
 \_\_\_\_\_ 4335 \_\_\_\_\_ 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 Withdrawal or Accrual (See below for code to enter)	Name of Lender or Contributor	Insider or Outsider ? (In or Out)	Amount to be with- drawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (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>			<b>\$</b> <u>4699</u>		

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A reconciliation of the computation of net capital under Rule 15c3-1 is not necessary since there are no material differences pursuant to Rule 17a-5(d)(4).

To the Board of Directors and Stockholders  
Larson Financial Securities LLC  
St. Louis, Missouri

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROLS**

In planning and performing our audit of the financial statements of *Larson Financial Securities LLC* (the "Company"), as of 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 (internal control) as a basis for designing our auditing procedures for the purpose of expressing an 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 Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (the "SEC"), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study includes tests of such practices and procedures considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. 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 an internal control structure and practices and procedures, referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures and the practices and procedures can be expected to achieve the SEC's above mentioned objectives. Two of the objectives of internal control structure 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 the 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 17-a5(g) lists additional objectives of the practices and procedures in the preceding paragraph.

Because of inherent limitations in internal control or 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.

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**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROLS (CONTINUED)**

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 and correct, 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.

Our consideration of the internal control structure was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined previously.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 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, the Financial Industry Regulatory Authority, 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.

February 27, 2012  
St. Louis, Missouri

*Mueller Prost PC*

Certified Public Accountants

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**LARSON FINANCIAL SECURITIES LLC**

**AGREED-UPON PROCEDURES**

**DECEMBER 31, 2011**

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**Mueller Prost PC**  
CPAs + Business Advisors

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## **TABLE OF CONTENTS**

<b>INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES</b>	<b>1</b>
<b>SCHEDULE OF AGREED-UPON PROCEDURES WITH PROCEDURES AND OBSERVATIONS</b>	<b>2-5</b>
<b>SCHEDULE OF ASSESSMENT AND PAYMENTS – GENERAL ASSESSMENT RECONCILIATION (“FORM SIPC-7”)</b>	<b>6-7</b>

To the Board of Directors and Stockholders  
Larson Financial Securities LLC  
St. Louis, MO

**INDEPENDENT ACCOUNTANTS' REPORT ON**  
**APPLYING AGREED-UPON PROCEDURES**

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerated below with respect to the accompanying Schedule of Assessment and Payments – General Assessment Reconciliation (“Form SIPC-7”) to the Securities Investor Protection Corporation (“SIPC”) for the year ended December 31, 2011, which were agreed to by Larson Financial Securities LLC (the “Company”) and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating the Company’s compliance with the applicable instructions of the General Assessment Reconciliation (“Form SIPC-7”). The Company’s management is responsible for the Company’s compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures for the purpose for which this report has been requested or for any other purpose.

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

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

February 27, 2012  
St. Louis, Missouri

*Mueller Prost PC*

Certified Public Accountant

**SCHEDULE OF AGREED-UPON PROCEDURES  
WITH PROCEDURES AND OBSERVATIONS**

**AUP ITEM 1 – COMPARED THE LISTED ASSESSMENT PAYMENTS IN FORM SIPC-7 WITH RESPECTIVE CASH DISBURSEMENT RECORDS.**

**Agreed-Upon Procedures:**

a. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries.

**Our Procedures:**

a. We obtained the Form SIPC-7 completed by Larson Financial Securities LLC (the "Company") for the period January 1, 2011 – December 31, 2011. We reviewed calculations and inspected signed check for general assessment due.

**Observations:**

a. General assessment due was calculated as \$117.00. Mueller Prost PC ("MPPC") sighted check #1070 dated 2/13/2012 and made out to SIPC for \$59.00. The check was made addressed to Securities Investor Protection Corp, PO Box 92185, Washington, DC 20090-2185. MPPC observed check #1059 dated 7/25/2011, also made out SIPC. This was for payment made with SIPC-6 filed 7/25/11 as shown on 2b of the SIPC-7. The check was made addressed to Securities Investor Protection Corp, PO Box 92185, Washington, DC 20090-2185. No differences were noted.

**AUP ITEM 2 – COMPARED THE AMOUNTS REPORTED ON THE AUDITED FORM X-17A-5 FOR THE YEAR ENDED DECEMBER 31, 2011, AS APPLICABLE, WITH THE AMOUNTS REPORTED IN FORM SIPC-7 FOR THE YEAR ENDED DECEMBER 31, 2011.**

**Agreed-Upon Procedures:**

a. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2011, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2011.

**Our Procedures:**

a. We obtained the audited Form X-17A-5 for the year ended December 31, 2011 and compared the total amounts, as applicable, that were also reported on the Form SIPC-7 for the year ended December 31, 2011.

**Observations:**

a. Total revenue reported on the audited Form X-17A-5 was \$7,077,814, which agrees to the amount reported on the Form SIPC-7 for total revenue.

No other amounts on the audited Form X-17A-5 were noted on the Form SIPC-7.

**AUP ITEM 3 – COMPARED ANY ADJUSTMENTS REPORTED IN FORM SIPC-7 WITH SUPPORTING SCHEDULES AND WORKING PAPERS.**

**Agreed-Upon Procedures:**

a. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers.

**Our Procedures:**

a. We obtained the Form SIPC-7 completed by the Company for the period January 1, 2011 – December 31, 2011 and reviewed the adjustments reported.

**Observations:**

a. Total deductions of \$7,031,047 were reported on Page 2 of the Form SIPC-7 relating to revenue from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts and from transactions in security futures products. The amount related to such items on the audited trial balance was determined to be \$7,031,047.

**AUP ITEM 4 – PROVED THE ARITHMETICAL ACCURACY OF THE CALCULATIONS REFLECTED IN FORM SIPC-7 AND IN THE RELATED SCHEDULES AND WORKING PAPERS SUPPORTING THE ADJUSTMENTS.**

**Agreed-Upon Procedures:**

a. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments.

**Our Procedures:**

a. We obtained the Form SIPC-7 and footed the schedule determining the SIPC Net Operating Revenue and recalculated the General Assessment using the approved rate of 0.25%.

**Observations:**

a. No exceptions were noted on the arithmetical accuracy of the Form SIPC-7 as filed.

**SCHEDULE OF AGREED-UPON PROCEDURES  
WITH PROCEDURES AND OBSERVATIONS**

**SIPC-7**

(33-REV 7/10)

SECURITIES INVESTOR PROTECTION CORPORATION  
P.O. Box 92185 Washington, D.C. 20090-2185  
202-371-8300

**General Assessment Reconciliation**

For the fiscal year ended December 31st, 2011

(Read carefully the instructions in your Working Copy before completing this Form)

**SIPC-7**

(33-REV 7/10)

**TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS**

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

068456 FINRA DEC  
LARSON FINANCIAL SECURITIES LLC 20\*20  
1015 CORPORATE SQUARE DR STE 300  
SAINT LOUIS MO 63132-2938

Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to [form@sipc.org](mailto:form@sipc.org) and so indicate on the form filed.

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

JANET D. PERLMAN - CFO/CLO (314) 438-2057

- 2. A. General Assessment (item 2e from page 2) \$ 117<sup>00</sup>
- B. Less payment made with SIPC-6 filed (exclude interest) ( 58<sup>00</sup> )  
01/25/2011  
Date Paid
- C. Less prior overpayment applied ( 0 )
- D. Assessment balance due or (overpayment) +59<sup>00</sup>
- E. Interest computed on late payment (see instruction E) for \_\_\_\_\_ days at 20% per annum 0
- F. Total assessment balance and interest due (or overpayment carried forward) \$ 59<sup>00</sup>
- G. PAID WITH THIS FORM:  
Check enclosed, payable to SIPC  
Total (must be same as F above) \$ 59<sup>00</sup>
- H. Overpayment carried forward \$( 0 )

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

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

LARSON FINANCIAL SECURITIES, LLC

(Name of Corporation, Partnership or other organization)

Janet D. Perlman

(Authorized Signature)

Dated the 10<sup>th</sup> day of February, 2012.

CFO & CLO

(Title)

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

**SIPC REVIEWER** Dates: \_\_\_\_\_ Postmarked \_\_\_\_\_ Received \_\_\_\_\_ Reviewed \_\_\_\_\_

Calculations \_\_\_\_\_ Documentation \_\_\_\_\_ Forward Copy \_\_\_\_\_

Exceptions: \_\_\_\_\_

Disposition of exceptions: \_\_\_\_\_

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

Amounts for the fiscal period  
beginning Jan. 1st, 20 11  
and ending Dec. 31st, 20 11

Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)

\$ 7,077,814

2b. Additions:

(1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.

0

(2) Net loss from principal transactions in securities in trading accounts.

0

(3) Net loss from principal transactions in commodities in trading accounts.

0

(4) Interest and dividend expense deducted in determining item 2a.

0

(5) Net loss from management of or participation in the underwriting or distribution of securities.

0

(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.

0

(7) Net loss from securities in investment accounts.

0

Total additions

0

2c. Deductions:

(1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.

7,031,047

(2) Revenues from commodity transactions.

0

(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.

0

(4) Reimbursements for postage in connection with proxy solicitation.

0

(5) Net gain from securities in investment accounts.

0

(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.

0

(7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(b)(L) of the Act).

0

(8) Other revenue not related either directly or indirectly to the securities business.  
(See Instruction C):

0

(Deductions in excess of \$100,000 require documentation)

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

\$ 0

(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).

\$ 0

Enter the greater of line (i) or (ii)

0

Total deductions

7,031,047

2d. SIPC Net Operating Revenues

\$ 46,767

2e. General Assessment @ .0025

\$ 117

(to page 1, line 2.A.)