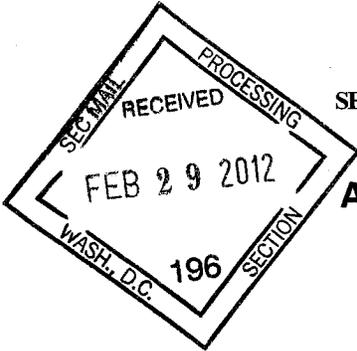


CM



12014217

SECURITI

Washington, D.C. 20547

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

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

SEC FILE NUMBER 8- 66981

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 01/01/11 AND ENDING 12/31/11 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: GROUPARGENT SECURITIES, LLC

OFFICIAL USE ONLY FIRM I.D. NO.

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

666 THIRD AVENUE, 27TH FLOOR

(No. and Street)

NEW YORK

(City)

NY

(State)

10017

(Zip Code)

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

Stephanie Murray

646-495-5144

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

YIN SHEN CO. CPA

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

3150 140TH STREET, RM 6C

(Address)

FLUSHING

(City)

NY

(State)

11354

(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)

OATH OR AFFIRMATION

I, Pierre-Georges Roy, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of GroupArgent Securities, LLC, as of December 31, 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:

None



Signature
Managing Partner
Title

Notary Public
02/28/12

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

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

GROUPARGENT SECURITIES, LLC

As of December 31, 2011

CONTENTS

Facing page

Oath or Affirmation

Independent Auditor's Report -----	1~2
Statement of Financial Condition -----	3
Statement of Income -----	4
Statement of Cash flows -----	5
Statement of Changes in Members' Equity -----	6
Notes to Financial Statements -----	7~9
Supplement Information -----	10
Schedule I- Computation of Net Capital -----	11~12
Internal Control Report -----	13~14
SIPC Supplemental Report -----	1~3

Yin Shen Co. CPA
3150 140th Street, Room 6c
Flushing, New York 11354
Tel: 718-358-7956, Fax: 718-358-1281

Independent Auditor's Report

To the Members of
GroupArgent Securities, LLC

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes 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 GroupArgent Securities, LLC at 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 financial statements as a whole. The supplementary information contained in Schedules I required by rule 17a-5 under the Securities and Exchange Act of 1934 is presented for purpose 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 audit 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.

A handwritten signature in black ink, appearing to read "Yin Shen Co. CPA". The signature is fluid and cursive, with the first name "Yin" being more prominent.

Yin Shen Co. CPA
Flushing, New York
February 24, 2012

GROUPARGENT SECURITIES, LLC

Statement of Financial Condition

December 31, 2011

ASSETS

Cash	\$	13,548
Accounts receivable		42,500
Securities owned, at fair value (cash balance of \$113)		113
Other assets		<u>670</u>
Total assets	\$	<u><u>56,831</u></u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities

Accounts payable, accrued expenses, and other liabilities	<u>3,000</u>
Total liabilities	<u>3,000</u>

Members' Equity

Members' Capital	9,228
Current year changes	<u>44,603</u>
Total members' equity	<u>53,831</u>
Total liabilities and members' equity	<u><u>\$ 56,831</u></u>

The accompanying notes are an integral part of these financial statements

GROUPARGENT SECURITIES, LLC

Statement of Income

for the Year Ended December 31, 2011

REVENUES:

Fee income	\$ 880,030
Other income	747
Total Revenue	<u>880,777</u>

EXPENSES:

Management fees	\$ 775,358
Professional fees	20,149
Communications	6,654
Occupancy	27,286
Regulatory fees	5,837
Other expenses	890
Total Expenses	<u>836,174</u>

NET INCOME (LOSS)	<u><u>44,603</u></u>
-------------------	----------------------

The accompanying notes are an integral part of these financial statements

GROUPARGENT SECURITIES, LLC

Statement of Cash Flows

for the Year Ended December 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income		\$	44,603
Adjustments to reconcile net income to net cash used in operating activities:			
Accounts receivable	(40,227)		
Securities owned(cash balance)	50		
Other assets	(474)		
Accounts payable, accrued expenses, and other liabilities	(874)		
Total adjustments			(41,525)
Net cash used in operating activities			<u>3,078</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Members' contribution			<u>100</u>
Net cash provided by financing activities			100

INCREASE IN CASH 3,178

CASH AT BEGINNING OF THE YEAR 10,370

CASH AT END OF THE YEAR \$13,548

-

The accompanying notes are an integral part of these financial statements

GROUPARGENT SECURITIES, LLC
Statement of Changes in Member's Capital
for the Year Ended December 31, 2011

	Member's Capital
Balance, January 1, 2011	<u>\$ 9,128</u>
Net Income(Loss)	44,603
Members' Capital Contributions	100
Balance, December 31, 2011	<u><u>\$ 53,831</u></u>

The accompanying notes are an integral part of these financial statements

GroupArgent Securities, LLC

Notes to Financial Statements

For the Year Ended December 31, 2011

1. Organization and nature of business

GroupArgent Securities, LLC (the Company) is a broker-dealer registered with Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Company is exempt from SEC customer protect rules. The Company is a New York corporation organized on April 26, 2005 that is a wholly owned subsidiary of GroupArgent, LLC (the Parent). The name was changed on December 22, 2009 and under which it was formed was Milbank Roy Securities, LLC.

2. Significant Accounting Policies

Basis of Presentation

The Company is engaged in the business of private placements of securities and limited trading securities for its own account. The financial statements reflect their own principal transactions and activities.

At present, no brokerage business is conducted with the general public nor does the Company maintain any customers' accounts.

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.

Revenue Recognition

The Company recognizes revenue from placement fees upon completion of the private placement offering and advisory fees, over the life of the underlying agreement, at the time work is performed and services are rendered.

Securities Owned

Proprietary securities transactions in regular-way trades are recorded on the trade date, as if they had settled. Profit and loss arising from all securities and commodities transactions entered into for the account and risk of the Company are recorded on a trade date basis. Securities are recorded at fair value in accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*.

GroupArgent Securities, LLC

Notes to Financial Statements (continued)

Depreciation

The Company does not have its own office equipments and furniture, accordingly, there is no depreciation incurred.

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, that are not held for sale in the ordinary course of business.

3. Fair Value:

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value.

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities the Company has the ability to access.
- Level 2 inputs are inputs (other than quoted prices included within level 1) that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability and rely on management's own assumptions about the assumptions that market participants would use in pricing the asset or liability. (The unobservable inputs should be developed based on the best information available in the circumstances and may include the Company's own data.)

As at December 31, 2011 the Company owned 65,000 shares non-marketable stocks. The issuer of the stocks declared bankruptcy in 2009 and the stocks' value was not determinable.

4. Net Capital Requirements

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, as defined, shall not exceed 15 to 1 and minimum the dollar amount of net capital requirement is \$5,000. At December 31, 2011, the Company was in compliance with these regulations. The company's net capital ratio was 0.28 to 1, and exceeds dollar amount net capital requirement by \$5,661.

5. Income tax

For the tax purpose, the Company is a limited liability company with a single member (Parent), and as such, is not treated as a "disregarded entity" and responsible for the federal and state franchise taxes. The member is liable for taxes on its share of the Company's profits and NYC unincorporated business tax.

6. Related party

The Company shares expenses with the Parent's facility to operate business including labor and office space. The expense sharing arrangement will expire on January 9, 2016. The Company paid management fees for \$775,358 to Parent to cover these expenses in 2011.

GROUPARGENT SECURITIES, LLC

Supplement Information
Pursuant to Rule 17a-5 of the Securities Exchange Act of 1934

As of December 31, 2011

The accompanying schedules are prepared in accordance with the requirements and general format of FOCUS form X-17A-5.

The Company is a broker-dealer and is exempt from the provision of SEC Rule 15c3-3, subparagraph (k)(2)(i). The conditions of exemption are being maintained.

GROUPARGENT SECURITIES, LLC

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

As of December 31, 2011

NET CAPITAL	
Total partners' equity	\$53,831
Deduct stockholders' equity not allowable for net capital	0
Total stockholders' equity qualified for net capital	<u>53,831</u>
Deductions:	
Non-allowable assets	
Accounts receivable and prepaid expenses	(43,170)
	<u>(43,170)</u>
	10,661
Net capital before haircuts on securities positions	
Haircuts on securities	
Trading and investment securities	0
	<u>0</u>
NET CAPITAL	<u><u>\$10,661</u></u>
AGGREGATE INDEBTEDNESS	
Accounts payable, accrued expenses	3,000
Total aggregate indebtedness	<u>3,000</u>
	<u><u>\$3,000</u></u>
COMPUTATION OF BASIC NET CAPITAL REQUIREMENT	
Minimum net capital required:	200
Minimum dollar required:	<u>\$5,000</u>
	<u><u>\$5,661</u></u>
Excess net capital	<u>\$5,661</u>
Net capital less greater of 10% of aggregate indebtedness or 120% of minimum dollar amount	<u>\$4,661</u>
	<u><u>\$4,661</u></u>
Ratio: Aggregate indebtedness to net capital	<u>0.28 to 1</u>

GROUPARGENT SECURITIES, LLC

Schedule I (cont.)

RECONCILIATION WITH COMPANY'S COMPUTATION (included in
Part II of Form X-17A-5 as of December 31, 2011)

Net capital, as reported in Company's Part IIA (unaudited)	
FOCUS report	\$10,661
Adjustments:	-
	<hr/>
Net capital per above	<u>\$10,661</u>

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

Independent Auditor's Report on Internal Control
Required by SEC Rule 17a-5 for a Broker-Dealer
Claiming an Exemption from SEC rule 15c3-3

To the Members of
GroupArgent Securities, LLC

In planning and performing our audit of the financial statements of GroupArgent Securities, LLC (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 (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 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:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in

conformity with generally accepted accounting principles. Rule 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 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 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 internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and control activities for safeguarding securities that we consider to be material weaknesses, as defined 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, 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 management, the SEC, FINRA, 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.

Yin Shen Co. CPA
Flushing, New York
February 24, 2012



GROUPARGENT SECURITIES, LLC
SIPC SUPPLEMENTAL REPORT
AND SUPPLEMENTARY SCHEDULES

December 31, 2011

New York, New York

Independent Accountants' Report
on Applying Agreed-Upon Procedures
Related to an Entity's SIPC Assessment Reconciliation

To the Members of
GroupArgent Securities, LLC
666 3rd Avenue, 27th Floor
New York, NY 10017

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 to the Securities Investor Protection Corporation (SIPC) for the Year Ended December 31, 2011, which were agreed to by GroupArgent Securities, LLC and the Securities and Exchange Commission, Financial Industry Regulatory Authority, Inc., and SIPC, solely to assist you and the other specified parties in evaluating GroupArgent Securities, LLC's compliance with the applicable instructions of the Transitional Assessment Reconciliation (Form SIPC-7). GroupArgent Securities, LLC's management is responsible for the GroupArgent Securities, LLC'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 described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries on the accounting book noting no differences;
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, noting no differences;
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers of SIPC Supplemental Schedule noting no differences;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers of SIPC Supplemental Schedule supporting the adjustments noting no differences.

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.

Yin Shen Co. CPA
Flushing, New York
February 24, 2012

A handwritten signature in black ink, appearing to read "Yin Shen", written in a cursive style.

GROUPARGENT SECURITIES, LLC

SIPC Supplemental Schedule

As of December 31, 2011

Total Revenue (per FOCUS filing)	\$ 855,089
Adjustments	24,941
Total Revenue (per SIPC-7 filing)	880,030
Total Deduction	-
SIPC Net Operating Revenue	<u>\$ 880,030</u>
General Assessment @0.0025	<u>2,200</u>
Less previously paid	<u>1,958</u>
Assessment Balance Due with SIPC-7	<u><u>\$ 242</u></u>