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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

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

Washington DC
400

REPORT FOR THE PERIOD BEGINNING 9/1/2011 AND ENDING 8/31/2012
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Joe Jolly & Co., Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

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

420 North 20th Street, 2350 Wells Fargo Tower

(No. and Street)

Birmingham

Alabama

35203

(City)

(State)

(Zip Code)

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

Carol A. Pilleteri, FinOP

(205) 252-2105

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Sellers, Richardson, Holman & West, LLP

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

216 Summit Blvd., Suite 300

Birmingham

Alabama

35243

(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)

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OATH OR AFFIRMATION

I, Joe Jolly, Jr., swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Joe Jolly & Co., Inc., as of August 31, 2012, 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:

Signature

President

Title

Janice L. Clem

Notary Public

NOTARY PUBLIC STATE OF ALABAMA AT LARGE
MY COMMISSION EXPIRES: AUG 12, 2015
BONDED TO THE PUBLIC UNDERWRITERS

- This report ** contains (check all that apply)
- (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).

JOE JOLLY & COMPANY, INC.

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SELLERS RICHARDSON HOLMAN & WEST^{LLP}

CERTIFIED PUBLIC ACCOUNTANTS

ADVISORY | AUDIT | TAX

216 Summit Boulevard | Suite 300 | Birmingham, AL 35243 | 205-278-0001 Main | 205-278-0003 Fax | www.srhwcpa.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Joe Jolly & Company, Inc.
Birmingham, Alabama

We have audited the accompanying statement of financial condition of Joe Jolly & Company, Inc. as of August 31, 2012. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Joe Jolly & Company, Inc. as of August 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

Sellers Richardson Holman & West, LLP

October 24, 2012

JOE JOLLY & COMPANY, INC.

Statement of Financial Condition August 31, 2012

Assets

Cash	\$ 1,330,015
Receivables	
Muni syndicate profit	42,000
Employee advances	60,015
Interest	65,261
Corporate income taxes	13,996
Note receivable—stockholder	1,000,000
Securities owned	5,243,932
Property and equipment, net	92,239
Deferred income taxes	48,031
Investments in oil and gas wells, not readily marketable	25,000
Cash value of life insurance	118,392
Other assets	15,650
	<hr/>
Total assets	<u><u>\$ 8,054,531</u></u>

Liabilities and Stockholder's Equity

Liabilities

Accounts payable	\$ 4,390
Accrued commission expense	83,000
Accrued expenses and other liabilities	46,747
Deferred income taxes	122,741
	<hr/>
	256,878

Commitments (Note 6)

Stockholder's Equity

Common stock, \$100 par value; 250 shares authorized, 100 shares issued and outstanding	10,000
Retained earnings	7,787,653
	<hr/>
	<u>7,797,653</u>

Total liabilities and stockholder's equity	<u><u>\$ 8,054,531</u></u>
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JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

Note 1. Nature of Business and Summary of Significant Accounting Policies

Nature of Business

Joe Jolly & Company, Inc. (Company) is a broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority. The Company provides underwriting and various other investment banking services. The Company's broker-dealer operations do not carry security accounts for customers or perform custodial functions relating to customer securities. The Company clears all transactions through another broker-dealer. The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America (GAAP) and to general practice within the brokerage industry.

Basis of Accounting

The Company reports the results of its operations and its financial condition using the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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. Accordingly, actual results could differ from these estimates.

Revenue Recognition and Securities Owned

Securities transactions and related gains, losses, and expenses are recorded on a settlement date basis by the Company. To conform to GAAP, the audited financial statements are adjusted to trade date accounting where appropriate. Amounts receivable and payable for securities transactions that have not reached their settlement date are recorded on the statement of financial condition. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The Company reviews securities owned for impairment and determines whether any impairment is other-than-temporary. The Company considers an impairment to be other-than-temporary when it is more likely than not that the securities owned will be liquidated at an amount less than its cost basis. Any other-than-temporary impairments are recognized as realized losses from securities owned. Any subsequent increase in fair value would be recognized as unrealized gains from securities owned.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers all liquid investments purchased with an original maturity of three months or less to be cash equivalents. As of August 31, 2012, there were no cash equivalents.

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation. Maintenance and repairs are charged to expense as incurred, and renewals and betterments are capitalized and depreciated over the estimated useful lives of the related assets. Gains and losses on disposals are credited or charged to operations.

Depreciation is computed principally using the straight-line method designed to amortize costs over the following estimated useful lives:

<u>Description</u>	<u>Useful Lives (in years)</u>
Building	30
Furniture and fixtures	3 to 8
Automotive	5
Leasehold improvements	40

Property and equipment, net of accumulated depreciation, consist of the following as of August 31, 2012:

Building	\$ 52,048
Furniture and fixtures	217,653
Automotive	127,145
Leasehold improvements	6,082
Accumulated depreciation	<u>(310,689)</u>
	<u>\$ 92,239</u>

Depreciation expense amounted to \$29,797 for the year ended August 31, 2012.

Risks and Uncertainties

Marketable securities and other investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the Company's financial position.

Income Taxes

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences, net operating losses, and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

The guidance on uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The guidance on accounting for uncertainty in income taxes also addresses derecognition, classification, interest and penalties on income taxes, and accounting in interim periods.

Management evaluated the Company's tax positions and concluded that the Company had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance as of August 31, 2012. The Company is not subject to examination by federal and state tax authorities for years prior to fiscal year 2009.

Advertising Costs

The Company expenses all advertising costs during the period in which they are incurred. During 2012, the Company charged \$2,466 to advertising expense.

Subsequent Events

Subsequent events have been evaluated for potential recognition and disclosure through October 24, 2012, which represents the date the financial statements were available for issuance.

Recently Issued Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*, which primarily requires new disclosures related to the levels within the fair value hierarchy. An entity is required to disclose significant transfers in and out of Levels 1 and 2 of the fair value hierarchy, and separately present information related to purchases, sales, issuances, and settlements in the reconciliation of fair value measurements classified as Level 3 fair value measurements, which are effective for reporting periods beginning after December 15, 2010. This adoption had no impact on the Company's financial position or results of operations.

In May 2011, the FASB issued ASU 2011-04, *Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs*, which converged the definition of fair value with that of the International Financial Reporting Standards (IFRSs) and substantially converged the requirements for measurement and disclosure. Nonpublic entities must disclose the facts and reasoning for the use of an asset that differs from the highest and best use. For nonpublic entities, the requirements of ASU 2011-04 are effective for annual periods beginning after December 15, 2011, with early adoption permitted for interim periods beginning after that date. The adoption of ASU 2011-04 is not expected to have an impact on the Company's financial position or results of operations.

Note 2. Uninsured Cash Balances

The Company maintains its cash balances at high credit quality financial institutions. At various times throughout the year ended August 31, 2012, the Company had cash on deposit with financial institutions in

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

excess of federal depository insurance limits. The Company has not experienced and does not anticipate any credit losses on these deposits.

Note 3. Muni Syndicate Profit Receivables

Muni syndicate profit receivables represent amounts due for security transactions with a trade date before August 31, 2012. These receivables amounted to \$42,000 for the year ended August 31, 2012.

Note 4. Securities Owned and Investments in Oil and Gas Wells, Not Readily Marketable

Dealer inventory and investment securities are carried at market value and consist of the following as of August 31, 2012:

	<u>Market Value</u>	<u>Cost</u>
Certificate of deposit	\$ 122,025	\$ 122,025
State and municipal obligations	4,515,714	4,249,184
U.S. government obligations and corporate bonds	606,193	594,931
	<u>\$ 5,243,932</u>	<u>\$ 4,966,140</u>

Investments in oil and gas wells are not readily marketable and are carried at their estimated recoverable cost.

Note 5. Fair Value Measurements

Effective for the year ending August 31, 2012, the Company adopted ASU 2010-06. This new accounting guidance under Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, was issued by the FASB on January 21, 2010. The additional disclosures required about fair value measurements including, among other things, (a) the amounts and reasons for certain significant transfers among the three hierarchy levels of inputs, (b) the gross, rather than net, basis for certain Level 3 rollforward information, (c) use of a "class" basis rather than a "major category" basis for assets and liabilities, and (d) valuation techniques and inputs used to estimate Level 2 and Level 3 fair value measurements. The following information incorporates these new disclosure requirements.

FASB ASC 820 clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, the fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability.

As a basis for considering assumptions, FASB ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1 Observable inputs such as quoted prices in active markets;
- Level 2 Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

Level 3 Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in FASB ASC 820. The three techniques are as follows:

Market approach—Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities;

Cost approach—Amount that would be required to replace the service capacity of an asset (i.e. replacement cost); and

Income approach—Techniques to convert future amounts to a single present amount based on market expectations utilizing present value techniques.

On a recurring basis, the Company is required to measure its certificate of deposit, state and municipal obligations, U.S. government obligations and corporate bonds, and cash surrender value of life insurance at fair value. The following methods and assumptions were used by the Company in estimating its fair value disclosures for financial assets, which are consistent with valuation methodologies used in previous years:

Certificate of deposit: Valued at the exact runoff of principal, given its contractual maturity, discounted at the appropriate term rate.

State and municipal obligations: Valued at the closing price of identical or similar municipal bonds reported on the active market in which the individual securities are traded.

U.S. government obligations and corporate bonds: Valued at the closing price reported on the active market on which the individual securities are traded.

Cash surrender value of life insurance: Valued at cash surrender value, which approximates fair value.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial assets could result in a different fair value measurement at the reporting date.

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

The following table sets forth by level, within the fair value hierarchy, the Company's financial assets at fair value as of August 31, 2012:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Certificate of deposit	\$ 122,025	\$ -	\$ 122,025	\$ -
State and municipal obligations	4,515,714	-	4,515,714	-
U.S. government obligations and corporate bonds	606,193	606,193	-	-
Cash surrender value of life insurance	118,392	-	118,392	-
Total assets at fair value	<u>\$ 5,362,324</u>	<u>\$ 606,193</u>	<u>\$ 4,756,131</u>	<u>\$ -</u>

The Company recognizes transfers into and out of levels at the end of the reporting period. There were no transfers between levels during the year ended August 31, 2012.

Note 6. Commitments

The Company leases various office facilities under operating leases expiring through November 2013. One lease agreement contains an escalation clause, which increases the base rental by the percentage change in the consumer price index annually.

Aggregate minimum future lease commitments are as follows:

Year ending August 31,	
2013	\$ 85,074
2014	20,383
	<u>\$ 105,457</u>

Rental expense for the year ended August 31, 2012 is \$88,246.

Note 7. Profit Sharing Plan

The Company sponsors a noncontributory profit sharing plan that covers substantially all employees. Contributions to the plan are made at the sole discretion of the Company's Board of Directors and are influenced by tax regulations. No contributions were made to the plan during the year ended August 31, 2012.

Note 8. Related Party Transactions

During 2012, the stockholder purchased nine security issues from the Company for a total purchase price of \$1,107,768. Such transactions were made in the ordinary course of business on substantially the same terms and conditions as those prevailing at the same time for comparable transactions with other customers, and did not, in the opinion of management, involve any credit risk or present other unfavorable features.

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

The Company has a note receivable from its stockholder, secured by certain property owned by the stockholder, which states that the stockholder agrees to pay the Company a principal sum of \$1,000,000 with interest on the unpaid balance. Accrued interest will be due and payable on August 31 of each year at a rate of 5 percent through August 31, 2012 (4 percent beginning September 1, 2012), with the entire principal and interest balance due and payable in full on August 31, 2017. The balance of the note receivable as of August 31, 2012 is \$1,000,000.

In addition, the Company maintains a split-dollar life insurance agreement with the stockholder. Under the terms of this agreement, the Company maintains a \$200,000 insurance policy on the stockholder's life. Upon death of the stockholder, the Company is entitled to recover the greater of cash value or premiums paid. The cash value of life insurance as of August 31, 2012 is \$118,392.

Note 9. Income Taxes

Net deferred tax assets and liabilities consist of the following components as of August 31, 2012:

Deferred tax assets:	
Impairment of investments in oil and gas wells	\$ 41,704
Property and equipment	<u>6,327</u>
	<u>\$ 48,031</u>
Deferred tax liabilities:	
Market value adjustment for securities owned— held for investment	\$ 77,470
Depreciation related to investments in oil and gas wells	<u>45,271</u>
	<u>\$ 122,741</u>

The provision for income taxes is as follows for the year ended August 31, 2012:

Current:	
Federal	\$ (4,508)
State	(1,776)
Deferred:	
Federal	(24,277)
State	<u>(4,964)</u>
Total provision for income taxes	<u>\$ (35,525)</u>

The difference between the provision for income taxes and the amount computed by applying the maximum statutory rates to income, before the provision for income taxes, is principally the effect of tax brackets, tax-

JOE JOLLY & COMPANY, INC.

Notes to Statement of Financial Condition

exempt income, and non-deductible expenses. The Company recognized no amounts of interest and penalties for the year ended August 31, 2012.

Note 10. Regulatory Requirements

As a registered broker-dealer, the Company is subject to the SEC's uniform net capital rule. The Company is prohibited from engaging in any securities transactions when its "net capital" is less than the greater of \$100,000 or 6-2/3 percent of its "aggregate indebtedness." At August 31, 2012, the Company had net capital of \$6,486,208, which was \$6,386,208 in excess of the minimum of net capital required.

Note 11. Annual Audit Report

The audited financial statements of the Company for the most recent audit period are available at the principal office of the Company, and will be mailed upon written request pursuant to SEC Rule 17a-5.



SELLERS RICHARDSON HOLMAN & WEST_{LLP}

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CERTIFIED PUBLIC ACCOUNTANTS
ADVISORY | AUDIT | TAX

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
REQUIRED BY SEC RULE 17A-5(G)(1) FOR A BROKER-DEALER
CLAIMING AN EXEMPTION FROM SEC RULE 15c3-3**

Board of Directors
Joe Jolly & Company, Inc.
Birmingham, Alabama

In planning and performing our audit of the financial statements of Joe Jolly & Company, Inc. (Company), as of and for the year ended August 31, 2012, 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 and correct, misstatements on a timely basis. A *significant deficiency* is a deficiency, or 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 August 31, 2012, to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on Rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Sellers Richardson Holman & West, LLP

October 24, 2012

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC

AUDITED STATEMENT OF FINANCIAL CONDITION

DATE—August 31, 2012

Joe Jolly & Company, Inc.
(Name of Respondent)

420 North 20th Street, 2350 Wells Fargo Tower, Birmingham, Alabama 35203
(Address of principal executive office)

Joe Jolly, Jr.

President

Joe Jolly & Company, Inc.

420 North 20th Street, 2350 Wells Fargo Tower

Birmingham, Alabama 35203

(Name and address of person authorized to receive notices and communications from the
Securities and Exchange Commission)