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SEC  
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**ANNUAL AUDITED REPORT  
FORM X-1 7A-5  
PART III**

FEB 29 2012

Washington, DC  
123

FACING PAGE

SEC FILE NUMBER
8- 65768

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

REPORT FOR THE PERIOD BEGINNING January 1, 2011 AND ENDING December 31, 2011  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Brandt, Kelly & Simmons Securities, LLC

OFFICIAL USE ONLY
<b>FIRM I.D. NO.</b>

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

28411 Northwestern Highway, Suite 200

(No. and Street)

Southfield

MI

48034

(City)

(State)

(Zip Code)

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

Craig Simmons

(248) 358-6500

(Area Code — Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

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

MRPR Group PC

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

28411 Northwestern Hwy., Suite 800

Southfield

MI

48034

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

<b>FOR OFFICIAL USE ONLY</b>

\*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 acts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, Craig Simmons, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Brandt, Kelly & Simmons 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:

[Handwritten Signature]

Signature

Member

Title

[Handwritten Signature: Lynn Ann Potrykus]
Notary Public

LYNN ANN POTRYKUS
Notary Public, State of Michigan
County of Livingston
My Commission Expires 10-29-2017
Acting in the County of Oakland

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

- x (a) Facing Page.
x (b) Statement of Financial Condition.
x (c) Statement of Income (Loss).
x (d) Statement of Changes in Financial Condition.
x (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
x (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
x (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.
x (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.
x (o) Independent auditors' report on internal control

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

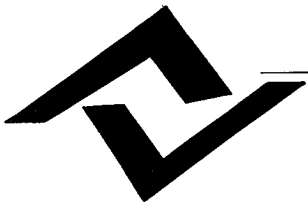
**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL INFORMATION  
PURSUANT TO RULE 17a5 OF THE  
SECURITIES AND EXCHANGE COMMISSION**

**AND**

**INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED  
DECEMBER 31, 2011**



**INDEPENDENT AUDITORS' REPORT**

Members

Brandt, Kelly & Simmons Securities, LLC  
Southfield, Michigan

We have audited the accompanying statement of financial condition of Brandt, Kelly & Simmons Securities, LLC as of December 31, 2011, and the related statements of operations, 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 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 Brandt, Kelly & Simmons 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 was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information contained in Schedules I, II and III required by Rule 17a-5 under the Securities 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.

*MRPR Group, P.C.*

Southfield, Michigan  
February 23, 2012

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**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**STATEMENT OF FINANCIAL CONDITION  
DECEMBER 31, 2011**

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**ASSETS**

Cash	\$ 29,490
Accounts receivable	13,875
Prepaid expenses	<u>4,007</u>
Total assets	\$ <u>47,372</u>

**LIABILITIES AND MEMBERS' EQUITY**

<b>LIABILITIES:</b>	
Accounts payable	\$ 570
Accrued commissions	<u>18,358</u>
Total liabilities	18,928
<b>MEMBERS' EQUITY</b>	<u>28,444</u>
Total liabilities and members' equity	\$ <u>47,372</u>

The accompanying notes to financial statements  
are an integral part of this statement.

**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

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**REVENUES:**

Commissions \$ 162,732

**EXPENSES:**

Commissions 126,466  
Regulatory and registration fees 3,540  
Education 1,360  
Professional fees 9,179  
Dues and subscriptions 495  
Insurance 1,454  
Rent 9,000  
Utilities and telephone 1,488  
Internet fees 310  
Payroll expenses 8,784  
Maintenance 72  
Office supplies and expense 546  
Printing and reproduction 300  
Equipment rental 348  
Postage 904

Total expenses 164,246

**NET LOSS**

\$ (1,514)

The accompanying notes to financial statements  
are an integral part of this statement.

**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**STATEMENT OF CHANGES IN MEMBERS' EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2011**

<u>Member</u>	<u>Members' Equity - Beginning of Year</u>	<u>Net Loss for the Year</u>	<u>Capital Contributions</u>	<u>Members' Withdrawals</u>	<u>Members' Equity - End of Year</u>
K. Brandt	\$ 13,771	\$ ( 757)	\$ 11,208	\$ (10,000)	\$ 14,222
C. Simmons	<u>13,771</u>	<u>( 757)</u>	<u>11,208</u>	<u>(10,000)</u>	<u>14,222</u>
Total	\$ <u>27,542</u>	\$ <u>(1,514)</u>	\$ <u>22,416</u>	\$ <u>(20,000)</u>	\$ <u>28,444</u>

The accompanying notes to financial statements  
are an integral part of this statement.



**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2011**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net loss	\$ ( 1,514)
Adjustments to reconcile net loss to net cash used in operating activities:	
Increase (decrease) in:	
Accounts receivable	( 4,257)
Prepaid expenses	242
Increase (decrease) in:	
Accounts payable	70
Accrued commissions	<u>1,926</u>
Net cash used in operating activities	<u>( 3,533)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Capital contributions from members	22,416
Members' withdrawals	<u>(20,000)</u>
Net cash provided by financing activities	<u>2,416</u>

<b>NET DECREASE IN CASH</b>	<b>( 1,117)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b><u>30,607</u></b>
<b>CASH AT END OF YEAR</b>	<b>\$ <u>29,490</u></b>

The accompanying notes to financial statements  
are an integral part of this statement.

BRANDT, KELLY & SIMMONS SECURITIES, LLC

NOTES TO FINANCIAL STATEMENTS

**NOTE 1 - Summary of Significant Accounting Policies**

Company background - Brandt, Kelly & Simmons Securities, LLC (a Michigan Limited Liability Company) was organized November 7, 2002, for the purpose of doing business as a broker-dealer. The Company clears all of its securities transactions with and for customers on a fully disclosed basis. All trades are cleared through another broker-dealer.

Cash and cash equivalents - The Company considers any investment with a maturity of three months or less at date of purchase to be cash or cash equivalent. There are no cash equivalents at December 31, 2011.

Use of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue and expenses recognition - Revenues consist generally of commissions on mutual fund and variable product sales and are recorded (on a settlement date basis) as they are earned. Expenses are recorded as they accrue.

Computation of customer reserve - The Company is exempt from customer reserve requirements and from providing information relating to possession or control of securities pursuant to Rule 15c3-3 of the Securities and Exchange Act of 1934. The Company meets the exempting provisions of Paragraph (k)(2)(ii).

SIPC assessment accountants' report - Because the Company's revenues are less than \$500,000, the supplemental accountants' report required by SEC Rule 17A-5(e)(4), relative to Securities Investor Protection Corporation assessments, is not required.

Income taxes - The accompanying financial statements do not include a provision or liability for Federal income taxes because the members are taxed individually on their share of Company earnings.

Recently issued accounting pronouncements - The Company has adopted all recently issued accounting pronouncements. The adoption of the accounting pronouncements, and anticipated adoption of those not yet effective is not expected to have a material effect on the financial position or results of operations of the Company.

BRANDT, KELLY & SIMMONS SECURITIES, LLC

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

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**NOTE 2 - Net Capital Requirements**

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 at an amount equal to the greater of \$5,000 or 6-2/3% of aggregate indebtedness and requires that the ratio of aggregate indebtedness to net capital not exceed 15 to 1.

At December 31, 2011, the Company had net capital of \$24,437 which was \$19,437 in excess of the required net capital of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .77 to 1.00.

There are no differences between the Computation of Net Capital as reported in the December 31, 2011 Focus Report and the amount reported in the audited financial statements.

**NOTE 3 - Related Party Transactions**

The Company shares office space with BKS Advisors, LLC, a registered investment advisory firm that is owned by the members of Brandt, Kelly & Simmons Securities, LLC.

Brandt, Kelly & Simmons Securities, LLC undertakes variable and mutual fund transactions on behalf of Brandt, Kelly & Simmons, LLC clients.

*Expense agreement and Company resolutions* - In compliance with the Securities and Exchange Commission Division of Market Regulation's letter ruling dated July 11, 2003, the Companies consented to and adopted a revolving resolution, whereby the following monthly "non-regulatory" expenses will be reported as expenses of Brandt, Kelly & Simmons Securities, LLC and reflected as a capital contribution by BKS Advisors, LLC on behalf of its members.

<u>Expenses</u>	<u>Monthly Amount</u>
Payroll expenses	\$ 732
Office rent	737
Utilities	27
Telephone/internet services	117
Postage	64
Office supplies	37
Equipment rental	29
Parking fees	13
Printing and reproduction	25
Professional fees	38
Maintenance	6
Liability insurance	<u>43</u>
Total	\$ <u>1,868</u>

**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)**

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**NOTE 4 - Contingencies**

The Company does not maintain errors and omissions insurance coverage and therefore is exposed to claims arising in the normal course of its activities. Currently, there are no pending claims.

**NOTE 5 - Subsequent Events**

The Company has evaluated events and transactions that occurred between December 31, 2011 and February 27, 2012, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**I SCHEDULE OF COMPUTATION OF NET CAPITAL  
AS OF DECEMBER 31, 2011**

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<b>NET CAPITAL:</b>	
Members' equity	\$ 28,444
<b>DEDUCT:</b>	
Prepaid expenses	<u>4,007</u>
<b>NET CAPITAL</b>	24,437
<b>MINIMUM REQUIRED NET CAPITAL</b>	<u>(5,000)</u>
<b>EXCESS NET CAPITAL</b>	\$ <u>19,437</u>

Statement Pursuant to Paragraph (d)(4) of Rule 17a-5

There are no differences between the Computation of Net Capital as reported in the December 31, 2011 Focus Report and the amounts reported in the audited financial statements.

**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**II SCHEDULE OF COMPUTATION OF AGGREGATE INDEBTEDNESS  
AS OF DECEMBER 31, 2011**

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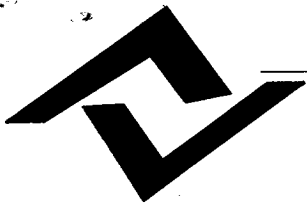
<b>NET CAPITAL</b>	<b>\$ <u>24,437</u></b>
<b>LIABILITIES</b>	<b>\$ <u>18,928</u></b>
<b>RATIO OF AGGREGATE INDEBTEDNESS TO NET CAPITAL</b>	<b><u>.77 to 1.00</u></b>

**BRANDT, KELLY & SIMMONS SECURITIES, LLC**

**III SCHEDULE OF COMPUTATION FOR DETERMINATION OF RESERVE  
REQUIREMENTS FOR BROKER/DEALER UNDER RULE 15c3-3  
DECEMBER 31, 2011**

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Brandt, Kelly & Simmons Securities, LLC is exempt from the Computation for Determination of Reserve Requirement for Broker/Dealer under Rule 15c3-3 of the Securities and Exchange Commission because of the exemption provided under Rule 15c3-3(k)(2)(ii), as a broker/dealer, "who as an introducing broker/dealer, clears all transactions with and from customers on a fully disclosed basis with a clearing broker/dealer".



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Board of Directors  
Brandt, Kelly & Simmons Securities, LLC  
Southfield, Michigan

In planning and performing our audit of the financial statements of Brandt, Kelly & Simmons 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 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 above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with 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 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 operations may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control 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 above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures, as described in the second paragraph of this report, were adequate at December 31, 2011, to meet the SEC's objectives.

This report is intended solely for the information and use of 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.

*MARCO SCARF, D.C.*

Southfield, Michigan  
February 23, 2012