

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

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

OMB APPROVAL

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8-67288

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	FOR THE PERIOD BEGINNING 01/01/2011 AND ENDING 12/31/2011			
	MM/DD/YY		MM/DD/YY	
A. R	EGISTRANT IDENTIFICATION	I		
NAME OF BROKER-DEALER: LCS Securities LLC			OFFICIAL USE ONLY	
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)			FIRM I.D. NO.	
595 Madison Avenue, 17th F	Floor			
	(No. and Street)			
New York	NY	10022		
(City)	(State)	(Zip Code)		
NAME AND TELEPHONE NUMBER OF Raymond Ottusch, CCO (212-259-0856)	PERSON TO CONTACT IN REGARD	TO THIS REPOR	Т	
		(Are	ea Code – Telephone Number	
B. AC	CCOUNTANT IDENTIFICATION			
INDEPENDENT PUBLIC ACCOUNTAN	T whose opinion is contained in this Repo	ort*		
EisnerAmper LLP	,			
	(Name – if individual, state last, first, middle i	name)		
750 Third Avenue	New York	NY	10017	
(Address)	(City)	(State)	(Zip Code)	
CHECK ONE:		SECURITIES AND EXCHANGE COMMISSION		
Certified Public Accountant		HE.	CEIVED	
Public Accountant		FEB 2 4 2012		
Accountant not resident in United States or any of its possessions.		REGISTRATIONS BRANCH		
FOR OFFICIAL USE ONLY		02		

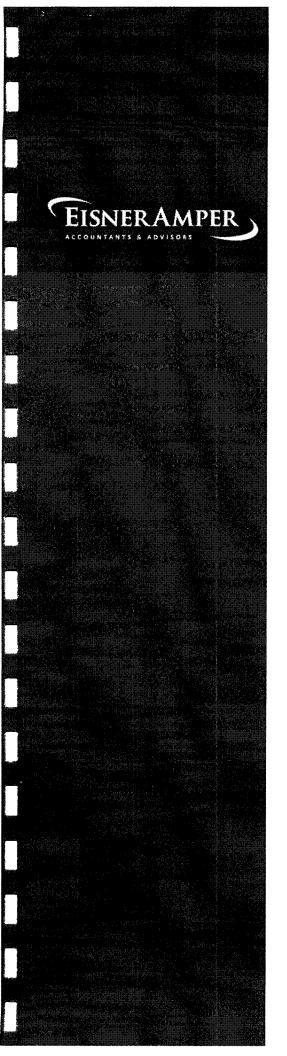
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^{*}Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

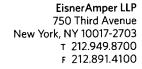
I, Raymond F. Ottusch, CCO	, swear (or affirm) that, to the best of				
my knowledge and belief the accompanying f LCS Securities, LLC	inancial statement and supporting schedules pertaining to the firm of, as				
of December 31	, 2011, are true and correct. I further swear (or affirm) that				
	tor, principal officer or director has any proprietary interest in any account				
classified solely as that of a customer, except					
A COL.					
STACY A MOLNAR	a //07				
Notary Public, State of New York No. 31-01M04850055	i agree I las				
Qualified in New York Count	Signature				
Commission Expires June 8,	21				
A second of a plane when a second or	Chief Compliance Officer				
1 12 1	Title				
Stary Molnar					
Notary Public					
This report ** contains (check all applicable l	ooxes):				
(a) Facing Page.	,				
(b) Statement of Financial Condition.					
(c) Statement of Income (Loss).					
(d) Statement of Changes in Financial Co					
	(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 Possessic	(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.				
☐ (j) A Reconciliation, including appropria	te explanation of the Computation of Net Capital Under Rule 15c3-1 and the				
Computation for Determination of the	e Reserve Requirements Under Exhibit A of Rule 15c3-3.				
— <i>`</i> ,	(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 Re					
(n) A report describing any material inade	quacies 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).



STATEMENT OF FINANCIAL CONDITION

DECEMBER 31, 2011





www.eisneramper.com

INDEPENDENT AUDITORS' REPORT

To the Member of LCS Securities, LLC

We have audited the accompanying statement of financial condition of LCS Securities, LLC (the "Company") (a wholly owned subsidiary of Levin Capital Strategies, L.P.) as of December 31, 2011, that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. 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 financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, 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 statement of financial condition referred to above presents fairly, in all material respects, the financial position of LCS Securities, LLC as of December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

New York, New York February 21, 2012

Eune Augra LLP

Statement of Financial Condition December 31, 2011

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Cash and cash equivalents	\$ 597,144
Receivable from clearing broker	276,411
Other assets	<u>19,633</u>
	<u>\$ 893,188</u>
LIABILITIES	* 00.040
Accrued expenses and other liabilities	\$ 26,048
Due to Parent	<u>234,400</u>
	260,448
MEMBER'S EQUITY	632,740
	<u>\$ 893,188</u>

Notes to Statement of Financial Condition December 31, 2011

NOTE A - ORGANIZATION

LCS Securities, LLC (the "Company") was formed as a limited liability company on January 26, 2006 (date of incorporation) under the laws of the State of New York. As of April 4, 2006, the Company was registered as a broker-dealer under the Securities Exchange Act of 1934 and began trading operations on May 10, 2006. The Company generates commissions by introducing customer securities transactions to a third-party clearing broker-dealer whereby that broker-dealer clears transactions for the Company's customers on a fully disclosed basis. Accordingly, the Company does not carry customers' accounts and operates under the exemptive provisions of SEC Rule 15c3-3(k)(2)(ii). The Company is a wholly owned subsidiary of Levin Capital Strategies, L.P. ("LCSLP" or "Parent") and is a member of the Financial Industry Regulatory Authority. The Company's operations are funded through contributions from LCSLP.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

[1] Cash and cash equivalents:

The Company considers money market funds to be cash equivalents. The Company maintains cash and cash equivalents in bank accounts at two major financial institutions which, at times, may exceed federally insured limits.

[2] Revenue recognition:

Brokerage commissions earned from securities transactions and related expenses are recorded on a settlement date basis because the difference between the trade date and settlement date is not considered material.

Interest income is recorded on the accrual basis.

[3] Income taxes:

Tax laws are complex and subject to different interpretations by the taxpayer and taxing authorities. Significant judgment is required when evaluating tax positions and related uncertainties. Future events such as changes in tax legislation could require a provision for income taxes. Any such changes could significantly affect the amounts reported in the member's equity.

The Company is a single member LLC wholly owned by LCSLP and is a disregarded entity for federal, state and city income tax purposes. As such, the Company's income or losses are included in LCSLP's tax returns for the year ended December 31, 2011.

[4] Use of estimates:

The preparation of the financial statement in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statement and accompanying notes. Actual results could differ from those estimates.

[5] Financial instruments:

The fair value of the Company's assets and liabilities, which qualify as financial instruments, approximates the carrying amounts presented in the statement of financial condition. Investments in money market funds and amounts due from clearing broker are carried at cost, which approximates fair value.

Notes to Statement of Financial Condition December 31, 2011

NOTE C - RECEIVABLE FROM CLEARING BROKER

The Company acts as an introducing broker. All transactions for its customers are cleared through a major U.S. securities firm on a fully disclosed basis. At December 31, 2011, the receivable from clearing broker represents cash deposited with the broker and the net commissions receivable earned as an introducing broker for its customers' transactions. The Company has agreed to indemnify its clearing broker for losses that it may sustain from the customer accounts introduced by the Company. In the ordinary course of its business, however, the Company does not accept orders with respect to client accounts if the funds required, or sufficient marginable securities, for the client to meet its obligations are not on deposit in the client account at the time the order is placed.

Proprietary accounts held at the clearing broker ("PAIB assets") are considered allowable assets in the computation of net capital pursuant to an agreement between the Company and the clearing broker, which requires, among other things, that the clearing broker perform a computation of PAIB assets similar to the customer reserve computation set forth in Rule 15c3-3.

In the event of the broker's insolvency, recovery of assets may be limited to account insurance or other protection.

NOTE D - NET CAPITAL REQUIREMENT

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital of \$250,000. At December 31, 2011, the Company had net capital, as defined, of \$608,031, which was \$358,031 in excess of its required minimum net capital.

The Company is exempt from the provisions of Rule 15c3-3 per paragraph (k)(2)(ii).

NOTE E - RELATED PARTY TRANSACTIONS

The Company has an expense sharing agreement with LCSLP whereby the Company is charged for its respective share of expenses, including, but not limited to, employee services, office space, equipment, administrative support and communication expenses. The charge is based upon a method which allocates expenses in amounts generally commensurate with LCSLP's support of the operation of the Company.

Substantially all clearing broker commission revenues are earned by the Company from certain investment advisory accounts of LCSLP. The Company relies upon LCSLP's financial capacity to fund operations. There is no guarantee that LCSLP will continue to have the financial capacity to fund the Company's operations.