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

SEC  
Mail Processing  
Section  
FILE NUMBER  
8-68293

FEB 26 2013

Washington DC  
400

**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 JANUARY 1, 2012 AND ENDING DECEMBER 31, 2012  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: DUNN RUSH & CO., LLC

**OFFICIAL USE ONLY**

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

FIRM ID. NO.  
150769

225 FRANKLIN STREET, 26<sup>TH</sup> FLOOR  
(No. and Street)

BOSTON  
(CITY)

MA  
(state)

02110  
(zip Code)

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

KEVIN DUNN

1-617-451-0001

(Area Code - Telephone No.)

**B. ACCOUNTANT IDENTIFICATION**

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

Karll, Harvey CPA, P.C.  
(NAME- IF INDIVIDUAL STATE LAST, FIRST, MIDDLE NAME)

41 Middle Street  
(Address)

Newburyport  
(City)

MA  
(State)

01950-2755  
(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).

SEC 1410 (06-02)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

EM  
3/8/13

## OATH OR AFFIRMATION

I, Kevin Dunn, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Dunn Rush & Co., LLC, as of December 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:

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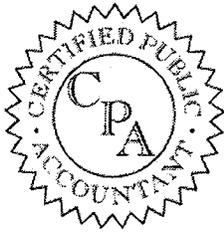
Notary Public

Kevin J. Dunn  
Signature  
Managing Partner  
Title

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 Proprietor's Capital.
- (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.
- X (i) Information Relating to the Possession or control Requirements under Rule 15c3-3.
- X (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
- X (m) A copy of the SIPC Supplemental Report.
- X (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 240.17d-5 (e)(3).*



## Harvey E. Karll CPA, PC.

41 Middle Street  
Newburyport, Massachusetts 01950  
(978)465-9512 Fax (978) 462-9043

### **Report on Internal Control Required By SEC Rule 17a-5 for a Broker-Dealer claiming an exemption From SEC Rule 15c3-3**

#### Partners

Dunn Rush & Co., LLC  
Boston, Massachusetts

In planning and performing my audit of the financial statements of Dunn Rush & Co., LLC for the year ended December 31, 2012, I considered its internal control, including control activities for safeguarding securities, in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission ("SEC"), I have made a study of the practices and procedures followed by the Company including tests of such practices and procedures that I considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debts) 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, I 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 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 any internal control or the practices and procedures referred to above, errors 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 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 control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

My 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. I did not identify any deficiencies in internal control and control activities for safeguarding securities that I consider to be material weaknesses, as defined above.

I 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 my study, I believe that the Company's practices and procedures were adequate at December 31, 2012 to meet the SEC's objectives.

This report is intended solely for the information and use of the Board of Directors, Management, 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.



Harvey E Karll CPA, P.C.  
Newburyport, MA  
February 12, 2013

**Dunn Rush & Co., LLC**  
**Audited Financial Statements**  
**For the Year Ended December 31, 2012**

**Dunn Rush & Co., LLC**  
**Audited Financial Statements**  
**For the Year Ended December 31, 2012**

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## **Harvey E. Karll CPA, PC.**

41 Middle Street  
Newburyport, Massachusetts 01950  
(978)465-9512 Fax (978) 462-9043

Dunn Rush & Co, LLC  
Boston, MA

I have audited the accompanying statement of financial condition of Dunn Rush & Co, LLC, as of December 31, 2012, and the related statements of income, changes in stockholders' equity and cash flows for the year then ended, that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934 and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design 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. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dunn Rush & Co, LLC, as of December 31, 2012, and the results of their operations and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Other Legal and Regulatory Requirements

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in Schedules I and II are presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. 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 in Schedules I, and II 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 my opinion, the information Schedules I, and II is fairly stated in all material respects in relation to the financial statements taken as a whole.



Harvey E. Karll, CPA, PC  
Newburyport, MA

Date: February 12, 2013

Dunn Rush & Co., LLC  
Statement of Financial Condition  
December 31, 2012

Assets

Cash and cash equivalents	\$	35,074
Accounts receivable		50,661
Prepaid expenses		7,403
Deposits		4,120
Organization costs net of accumulated amortization of \$9,223		3,952
	\$	<u>101,210</u>

Liabilities and Stockholder's Equity

Liabilities:		
Accounts payable	\$	20,454
Member's equity		<u>80,756</u>
	\$	<u>101,210</u>

See accompanying notes and independent accountants' report

Dunn Rush & Co., LLC  
Statements of Income  
For The Year Ended December 31, 2012

Revenues	
Fee income	\$ 1,251,511
Interest income	158
	<hr/>
	1,251,669
Expenses:	
Guaranteed payments	975,000
Communications expense	9,267
Regulatory fees and expenses	5,574
Occupancy expenses	26,601
Other expenses	247,791
	<hr/>
	1,264,233
	<hr/>
Net Income (Loss)	<u><u>\$ (12,564)</u></u>

See accompanying notes and independent accountants' report

Dunn Rush & Co., LLC  
Statement of Changes in Member's Equity  
December 31, 2012

Balance at beginning of year	\$ 93,320
Net income (loss)	<u>(12,564)</u>
Balance at end of year	<u>\$ 80,756</u>

See accompanying notes and independent accountants' report

Dunn Rush & Co., LLC  
 Statements of Cash Flows  
 For The Twelve Months Ended December 31, 2012

Year to Date

**Cash Provided from Operations**

Net Income (Loss)	\$	(12,564)
Adjustments		
Add:		
Amortization		2,635
Less:		
Accts receivable - trade		(30,661)
Prepaid expenses		(436)
Accounts payable & accrued expenses		(60,287)
		(101,313)

**Cash from Operations**

**(101,313)**

**Cash Flows - Invested**

-

**Investing Cash Flows**

-

**Cash Flows - Financing**

-

**Financing Cash Flows**

-

**Cash Increase (Decrease)**

**(101,313)**

**Cash - Beginning of Year**

Boston- MM		136,388
		136,388

Total beginning of year

**136,388**

Cash on Statement Date

**\$ 35,075**

Dunn Rush & Co., LLC  
Notes to Financial Statements  
For the Year Ended December 31, 2012

1. NATURE OF BUSINESS

Dunn Rush & Co., LLC (the Company) is a registered broker/dealer selling securities. It is a Massachusetts limited liability company organized on March 31, 2009. The Company is a member of the Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA). The Company emphasizes mergers and acquisitions, consulting on mergers and acquisitions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 amount of assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At December 31, 2012 the company had nothing in excess of FDIC insured limits. The Company has not experienced any losses in such accounts.

Income Taxes

A limited liability company is treated as a partnership for both federal and state income tax purposes. Thus, federal and state income (loss) are passed through to the members of the company, and not taxed at the company level. Therefore, no provision or liability for federal or state income taxes are required in these financial statements.

Basis of Accounting

The Company uses the accrual method of accounting for financial accounting and the accrual method for tax accounting purposes.

Revenue Recognition

Merger and acquisition fee revenue is recognized when the deal closes. Consulting fees are on accrual basis and retainers for consulting are non-refundable and recognized as income when received.

See accompanying notes and independent accountant's report

Dunn Rush & Co., LLC  
Notes to Financial Statements  
For the Year Ended December 31, 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Amortization of Organization Costs

Organization costs are amortized using the straight-line method over five years. Amortization expense for the year ended December 31, 2012 was \$2,635.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on historical collection experience, its assessment of current economic conditions, review and assessment of the financial condition of the debtor.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include all cash balances and highly liquid investments with an initial maturity of three months or less.

4. NET CAPITAL

As a broker/dealer, the company is subject to the Securities and Exchange Commission's regulations and operating guidelines, which require the Company to maintain a specified amount of net capital, as defined, and a ratio of aggregate indebtedness to net capital, as derived, not exceeding 15 to 1. The Company's net capital computed under 15c3-1 was \$14,620 at December 31, 2012, which exceeded required net capital of \$5,000 by \$9,620. The ratio of aggregate indebtedness to net capital at December 31, 2012 was 1.40 to 1.0.

5. CASH FLOWS

Cash paid for interest is as follows:

Interest	\$ <u>0</u>
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Income Taxes	\$ <u>0</u>
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See accompanying notes and independent accountant's report

Dunn Rush & Co., LLC  
Notes to Financial Statements  
For the Year Ended December 31, 2012

**6. FAIR VALUE OF FINANCIAL STATEMENTS**

The Company's financial statements are cash and cash equivalents and prepaid expenses. The recorded values of cash and cash equivalents and prepaid expenses approximate their fair values based on their short-term nature.

**7. CONCENTRATIONS**

For the year ended December 31, 2012, twelve customers represented 100% of the Company's revenue.

**8. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 11, 2013, the date on which the financial statements were available to be issued.

**9. LEASES**

The Company entered into a lease agreement on January 1, 2012. The office lease is for one (1) year starting January 1, 2012 and ending December 31, 2012; 2012 rent is \$2,217 per month. Rent expense for the year ended December 31, 2012 was \$26,601.

A new lease agreement became effective on January 1, 2013 for a term of one year ending December 31, 2013; 2013 rent is \$2,328 per month. As of December 31, 2012, the approximate future minimum lease payments under this operating lease are \$27,936 with minimum lease payments due in the next five years as follows:

2013	<u>\$ 27,936</u>
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**10. ADVERTISING**

The company's policy is to expense the cost of advertising as it is incurred. Advertising for the year ended December 31, 2012 is \$8,546.

**11. INCOME TAXES**

The Company continues to be subject to federal or state tax examinations by taxing authorities for years 2009, 2010 and 2011.

**12. COMPANY NAME CHANGE**

Effective January 26, 2012, the Company has changed its name to Dunn Rush & Co. LLC.

See accompanying notes and independent accountant's report

Dunn Rush & Co., LLC  
Schedule I  
Computation of Net Capital  
December 31, 2012

Total member's equity	\$ 80,756
Less: Nonallowable assets	<u>(66,136)</u>
Net capital	14,620
Less: Capital requirement	<u>5,000</u>
Excess capital	<u>\$ 9,620</u>
Aggregate indebtedness	<u>\$ 20,454</u>
Ratio of aggregate indebtedness to net capital	1.4 to 1.0

There is no material difference between the preceding computation and the Company's corresponding unaudited part II of Form X- 17A-5 as of December 31, 2012.

Schedule II  
 FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT  
 PART IIA

BROKER OR DEALER Dunn Rush & Co., LLC  
 As of 12/31/12

EXEMPTIVE PROVISION UNDER RULE 15c3-3

If an exemption from Rule 15c3-3 is claimed, identify below the section upon which such exemption is based:

(k)  
 (1)-Limited business (mutual funds and/or variable annuities only) \_\_\_ 4550

(k)  
 (2) (i)-"Special Account for the Exclusive Benefit of customers" maintained  4560

(k)  
 (2) (ii)--All customer transactions cleared through another broker-dealer  
 on a fully disclosed basis \_\_\_ 4570

Name of clearing firm(s)

Clearing Firm SEC#s	Name	Product Code
8- _____ [4335A]	_____	_____ [4335B]
8- _____ [4335C]	_____	_____ [4335D]
8- _____ [4335E]	_____	_____ [4335F]
8- _____ [4335G]	_____	_____ [4335H]
8- _____ [4335I]	_____	_____ [4335I]

(k) (3) Exempted by order of the Commission \_\_\_ 4580

Dunn Rush & Co., LLC  
Supplemental SIPC Report  
December 31, 2012

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## Harvey E. Karll CPA, PC.

41 Middle Street  
Newburyport, Massachusetts 01950  
(978)465-9512 Fax (978) 462-9043

### Partners

Dunn Rush & Co., LLC

In accordance with Rule 17a-5(e)(4) of the Securities and Exchange Commission, we have performed the following procedures with respect to the accompanying schedule (Form SIPC-7) of Securities Investor Protection Corporation assessments and payments of Dunn Rush & Co., LLC for the year ended December 31, 2012. Our procedures were performed solely to assist you in complying with Rule 17a-5(e)(4) and our report is not to be used for any other purpose. The procedures we performed are as follows:

1. Compared listed assessment payments with respective cash disbursement records entries;
2. Compared amounts included with the amounts reported on the audited Form X-17A-5 for the period January 1, 2012 to December 31, 2012 with the amounts reported in the General Assessment Reconciliation (Form SIPC-7);
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting adjustments; and
5. Compared the amount of any overpayment applied with the Form SIPC-7 on which it was computed.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the schedule referred to above. In connection with the procedures referred to above, nothing came to our attention that caused us to believe that the amounts shown on Form SIPC-7 were not determined in accordance with applicable instructions and forms. This report relates only to the schedule referred to above and does not extend to any financial statements of Dunn Rush & Co., LLC taken as a whole.

*Harvey E. Karll CPA, P.C.*  
February 12, 2013

SIPC-7

SECURITIES INVESTOR PROTECTION CORPORATION (33 REV 7/10)
805 15th St. N.W. Suite 800, Washington, D.C. 20005-2215
202-371 - 8300

General Assessment Reconciliation

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

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:

8-67059 FINRA DEC 2012
DUNN RUSH & CO., LLC
225 FRANKLIN STREET, 26TH FLOOR
BOSTON, MA 02110

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

Name and telephone number of person to contact respecting this form. Daniel Beaton 603-379-2478

2.A. General Assessment [item 2e from page 2] \$ 3,129
B. Less payment made with SIPC-6 filed (exclude interest) (1,069)
Date Paid Amount
7-10-12 \$ 1,069
C. Less prior year overpayment applied
D. Assessment balance due or (overpayment)
E. Interest computed on late payment (see instruction E) for \_\_\_ days at 20% per annum
F. Total assessment balance and interest due (or overpayment carried forward) \$ 2,060
G. PAID WITH THIS FORM:
Check enclosed, payable to SIPC
Total (must be same as F above) \$
H. Overpayment carried forward \$( )

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.

Dunn Rush & Co., LLC
(Name of Corporation, Partnership or other organization)

(Authorized Signature)

Dated the 12th day of February, 20 13 .

Managing Partner

(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.

Dates:

Postmarked Received Reviewed
Calculations Documentation Forward Copy
Exceptions:

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

Amounts for the fiscal period  
beginning January 1, 2012  
and ending December 31, 2012  
**Eliminate cents**

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030) \$ 1,251,511

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a,
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (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.
- (7) Net loss from securities in investment accounts.

Total additions

1,251,511

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.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (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.
- (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(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):

- (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. \$ \_\_\_\_\_
- (ii) 40% of interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). \$ \_\_\_\_\_

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

Total deductions

0

2d. SIPC Net Operating Revenues \$ 1,251,511

2e. General Assessment @ .0025 \$ 3,129

(to page 1, line 2.A.)

SEC  
Mail Processing  
Section  
FEB 26 2013  
Washington DC  
400

Dunn Rush & Co., LLC  
Supplemental SIPC Report  
December 31, 2012



## Harvey E. Karll CPA, PC.

41 Middle Street  
Newburyport, Massachusetts 01950  
(978)465-9512 Fax (978) 462-9043

### Partners

Dunn Rush & Co., LLC

In accordance with Rule 17a-5(e)(4) of the Securities and Exchange Commission, we have performed the following procedures with respect to the accompanying schedule (Form SIPC-7) of Securities Investor Protection Corporation assessments and payments of Dunn Rush & Co., LLC for the year ended December 31, 2012. Our procedures were performed solely to assist you in complying with Rule 17a-5(e)(4) and our report is not to be used for any other purpose. The procedures we performed are as follows:

1. Compared listed assessment payments with respective cash disbursement records entries;
2. Compared amounts included with the amounts reported on the audited Form X-17A-5 for the period January 1, 2012 to December 31, 2012 with the amounts reported in the General Assessment Reconciliation (Form SIPC-7);
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers;
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting adjustments; and
5. Compared the amount of any overpayment applied with the Form SIPC-7 on which it was computed.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we do not express an opinion on the schedule referred to above. In connection with the procedures referred to above, nothing came to our attention that caused us to believe that the amounts shown on Form SIPC-7 were not determined in accordance with applicable instructions and forms. This report relates only to the schedule referred to above and does not extend to any financial statements of Dunn Rush & Co., LLC taken as a whole.

*Harvey E. Karll CPA, P.C.*

February 12, 2013

SIPC-7

SECURITIES INVESTOR PROTECTION CORPORATION (33 REV 7/10)  
805 15th St. N.W. Suite 800, Washington, D.C. 20005-2215  
202-371 - 8300

**General Assessment Reconciliation**

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

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:

8-67059 FINRA DEC 2012  
DUNN RUSH & CO., LLC  
225 FRANKLIN STREET, 26<sup>TH</sup> FLOOR  
BOSTON, MA 02110

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

Name and telephone number of person to contact respecting this form. Daniel Beaton 603-379-2478

2.A. General Assessment [item 2e from page 2	\$ <u>3,129</u>
B. Less payment made with SIPC-6 filed (exclude interest)	( <u>1,069</u> )
Date Paid                      Amount	
<u>7-10-12</u> \$ <u>1,069</u>	
_____ \$ _____	( _____ )
C. Less prior year overpayment applied	( _____ )
D. Assessment balance due or (overpayment)	
E. Interest computed on late payment (see instruction E) for _____ days at 20% per annum	
F. Total assessment balance and interest due (or overpayment carried forward)	\$ <u>2,060</u>
G. PAID WITH THIS FORM:	
Check enclosed, payable to SIPC	
Total (must be same as F above)	\$ _____
H. Overpayment carried forward	\$ ( _____ )

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.

Dunn Rush & Co., LLC  
(Name of Corporation, Partnership or other organization)

\_\_\_\_\_  
(Authorized Signature)

Dated the 12th day of February, 2013.

Managing Partner  
(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.

Dates:

Postmarked                      Received                      Reviewed  
Calculations \_\_\_\_\_                      Documentation \_\_\_\_\_                      Forward Copy

Exceptions:

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

Amounts for the fiscal period  
beginning January 1, 2012  
and ending December 31, 2012  
Eliminate cents

Item No.

2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030) \$ 1,251,511

2b. Additions:

- (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above.
- (2) Net loss from principal transactions in securities in trading accounts.
- (3) Net loss from principal transactions in commodities in trading accounts.
- (4) Interest and dividend expense deducted in determining item 2a,
- (5) Net loss from management of or participation in the underwriting or distribution of securities.
- (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.
- (7) Net loss from securities in investment accounts.

Total additions

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.
- (2) Revenues from commodity transactions.
- (3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.
- (4) Reimbursements for postage in connection with proxy solicitation.
- (5) Net gain from securities in investment accounts.
- (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.
- (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(9)(L) of the Act).
- (8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):

- (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. \$ \_\_\_\_\_
- (ii) 40% of interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960). \$ \_\_\_\_\_

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

Total deductions

0

2d. SIPC Net Operating Revenues \$ 1,251,511  
2e. General Assessment @ .0025 \$ 3,129

(to page 1, line 2.A.)