



14041908

AMENDED

11/18/14

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

OMB APPROVAL OMB Number: 3235-0123 Expires: March 31, 2016 Estimated average burden hours per response... 12.00

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

SEC FILE NUMBER 8-28032

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 07/01/13 AND ENDING 06/30/14 MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Keystone Capital Corporation

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

3511 Camino Del Rio South, Suite 406 (No. and Street)

San Diego (City)

CA (State)

92108 (Zip Code)

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

Blake Daniels

724-846-2488

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

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

Goff Backa Alfera & Company, LLC (Name - if individual, state last, first, middle name)

3325 Saw Mill Run Blvd (Address)

Pittsburgh (City)

PA (State)

15227 (Zip Code)

CHECK ONE:

- [X] Certified Public Accountant [ ] Public Accountant [ ] Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

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

11/17/14

OATH OR AFFIRMATION

I, Blake Daniels, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Keystone Capital Corporation

of June 30, 20 14, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

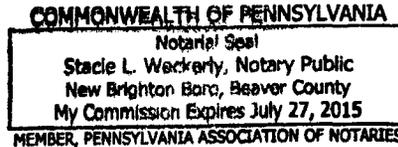
None

Blake W. Daniels  
Signature

CAO

Title

[Signature]  
Notary Public



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

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

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

**Keystone Capital Corporation**  
**Index to Audited Financial Statements**  
**For The Year Ended June 30, 2014**

**CONTENTS**

	<b>PAGE(S)</b>
Report of Independent Registered Public Accounting Firm.....	1
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Condition .....	2
Statement of Operations.....	3
Statement of Changes in Shareholders' Equity .....	4
Statement of Cash Flows .....	5
Notes to Financial Statements.....	6 - 10
<b>SUPPLEMENTARY INFORMATION</b>	
Schedule I, Computation of Net Capital under Rule 15c3-1 of the Securities and Exchange Commission.....	11
Schedule II, Computation for Determination of Reserve Requirements under Rule 15c3-3 of the Securities and Exchange Commission.....	12
Schedule III, Information Relating to Possession or Control Requirements under Rule 15c3-1 of the Securities and Exchange Commission.....	13
Schedule IV, Schedule of Segregation Requirements and Funds in Segregation for Customers' Regulated Commodities Futures and Options Accounts .....	14



3325 Saw Mill Run Blvd.  
Pittsburgh, PA 15227-2736  
412/885-5045  
Fax 412/885-4870  
www.gbaco.com

Certified Public Accountants

## Report of Independent Registered Public Accounting Firm

To the Shareholders of  
Keystone Capital Corporation  
San Diego, California

We have audited the accompanying statement of financial condition of Keystone Capital Corporation (the Company), as of June 30, 2014, and the related statements of operations, changes in shareholders' equity, and cash flows for the year then ended. These financial statements are the responsibility of Keystone Capital Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). 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 Keystone Capital Corporation as of June 30, 2014, 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.

The supplementary information contained in Schedules I, II, III, and IV has been subjected to audit procedures performed in conjunction with the audit of Keystone Capital Corporation's financial statements. The supplementary information contained in Schedules I, II, III, and IV is the responsibility of Keystone Capital Corporation's management. Our audit procedures included determining whether the supplementary information contained in Schedules I, II, III, and IV reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplementary information contained in Schedules I, II, III, and IV. In forming our opinion on the supplementary information contained in Schedules I, II, III, and IV, we evaluated whether the supplementary information contained in Schedules I, II, III, and IV, including its form and content is presented in conformity with 17 C.F.R. § 240.17a-5. In our opinion, the supplementary information contained in schedules I, II, III, and IV is fairly stated, in all material respects, in relation to the financial statements as a whole.

  
GOFF BACKA ALFERA & COMPANY, LLC

Pittsburgh, Pennsylvania

August 28, 2014, except for Notes 3 and 8 and Supplementary Schedule I which are dated October 21, 2014

**Keystone Capital Corporation**  
**Statement of Financial Condition**  
**June 30, 2014**

<b>ASSETS</b>	
Cash	\$ 28,057
Cash in centralized registration depository account	218
Deposit with clearing organization	6,899
Commissions receivable	88,982
Other receivable	7,844
Deferred tax asset	120,000
Equipment	5,127
Accumulated depreciation	<u>(2,532)</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 254,595</u></b>
 <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	
Accounts payable	\$ 25,566
Accrued expenses	9,926
Commissions payable	<u>73,499</u>
<b>TOTAL LIABILITIES</b>	<b><u>108,991</u></b>
 <b>SHAREHOLDERS' EQUITY</b>	
Common stock (\$1 par value; 10,000 shares authorized; 1,050 shares issued and outstanding)	1,050
Additional paid-in capital	446,552
Accumulated deficit	<u>(301,998)</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b><u>145,604</u></b>
 <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	 <b><u>\$ 254,595</u></b>

**Keystone Capital Corporation**  
**Statement of Operations**  
**For the Year Ended June 30, 2014**

<b>REVENUES</b>	
Commissions	\$ 794,745
Consulting income	203,203
Interest	160
Other income	2,880
	<hr/>
<b>TOTAL REVENUES</b>	<b>1,000,988</b>
	<hr/>
<b>EXPENSES</b>	
Commissions and fees	840,035
Salaries and related taxes	148,698
Employee benefits	1,946
Licenses	57,371
Professional fees	25,342
Communications	77,569
Occupancy	21,679
Office	22,641
Insurance	12,687
Travel	1,461
Postage and delivery	1,914
Depreciation	1,260
Taxes	984
Meals and entertainment	1,479
Other	(809)
Bank fees	319
	<hr/>
<b>TOTAL EXPENSES</b>	<b>1,214,576</b>
	<hr/>
<b>LOSS BEFORE BENEFIT FOR INCOME TAXES</b>	<b>(213,588)</b>
<b>BENEFIT FOR INCOME TAXES</b>	<b>80,000</b>
	<hr/>
<b>NET LOSS</b>	<b>\$ (133,588)</b>
	<hr/>

**Keystone Capital Corporation**  
**Statement of Changes in Shareholders' Equity**  
**For the Year Ended June 30, 2014**

	Common Stock Shares	Par Value	Paid-in Capital	Accumulated Deficit	Total Shareholders' Equity
Balance at June 30, 2013	1,050	\$ 1,050	\$ 265,952	\$ (168,410)	\$ 98,592
Capital contributions	-	-	180,600	-	180,600
Net loss	-	-	-	(133,588)	(133,588)
Balance at June 30, 2014	<u>1,050</u>	<u>\$ 1,050</u>	<u>\$ 446,552</u>	<u>\$ (301,998)</u>	<u>\$ 145,604</u>

**Keystone Capital Corporation**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2014**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net income (loss)	\$ (133,588)
Adjustments to reconcile net loss to net cash used for operating activities:	
Depreciation expense	1,260
Deferred taxes	(80,000)
Changes in assets/liabilities:	
Increase in commissions receivable	(84,771)
Increase in other receivable	(7,844)
Increase in prepaid expenses	970
Decrease in accounts payable	25,516
Increase in accrued expenses	1,465
Increase in commissions payable	69,709
	<hr/>
<b>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</b>	<b>(207,283)</b>
	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Capital contributions	180,600
	<hr/>
<b>NET INCREASE IN CASH</b>	<b>(26,683)</b>
<b>CASH AT BEGINNING OF YEAR</b>	<b>61,857</b>
	<hr/>
<b>CASH AT END OF YEAR</b>	<b>\$ 35,174</b>
	<hr/> <hr/>

**Keystone Capital Corporation**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2014**

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

This summary of significant accounting policies of Keystone Capital Corporation (the "Company") is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity.

*Description of Business*

The Company is a registered broker-dealer licensed by the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). The Company provides broker-dealer services as an introducing broker-dealer clearing customer transactions through another broker-dealer on a fully disclosed basis.

*Cash and Cash Equivalents*

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

*Revenue Recognition*

Revenues are recognized in the periods in which the related services are performed provided that persuasive evidence of an arrangement exists, the fee is fixed or determinable and collectability is reasonably assured.

Commission revenue represents gross commissions generated by our advisors for their clients' purchases of securities, and various other financial products such as mutual funds, variable annuities, and life insurance policies. We generate two types of commission revenues: front-end sales commissions that occur at the point of sale, as well as trailing commissions for which we provide ongoing support, awareness, and education to clients.

We recognize front-end sales commissions as revenue on a trade-date basis, which is when our performance obligations in generating the commissions have been substantially completed. We earn commissions on a significant volume of transactions that are placed by our advisors directly with product sponsors, particularly with regard to mutual fund, 529 plan, and variable annuity and insurance products. As a result, management must estimate a portion of its commission revenues earned from clients for purchases and sales of these products for each accounting period for which the proceeds have not yet been received. These estimates are based on the amount of commissions earned from transactions relating to these products in prior periods.

Commission revenue includes mutual fund, 529 plan and variable product trailing fees which are recurring in nature. These trailing fees are earned by us, based on a percentage of the current market value of clients' investment holdings in trail-eligible assets, and recognized over the period during which services are performed. Because trail commission revenues are generally paid in arrears, management estimates the majority of trail commissions revenues earned during each period. These estimates are based on subsequent collections.

**Keystone Capital Corporation**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 1 - Summary of Significant Accounting Policies (continued)**

*Commissions Receivable*

Commissions receivable consisted of estimated revenues due from investment and insurance companies earned by Company representatives on which the investment and insurance companies have not paid the Company as of year-end. The commissions at June 30, 2014, have been estimated using commissions subsequently collected after year-end. Management feels that this balance is fully collectable and an allowance has not been established.

*Equipment and Depreciation*

Equipment is stated at cost less accumulated depreciation. Additions, renovations, and improvements are capitalized. Depreciation is provided using the straight line method over the estimated useful lives of the assets. Expenditures for maintenance and repairs that do not extend asset lives are charged to expense as incurred.

*Commissions Payable*

Commissions payable consisted of the estimated portion of the commissions receivable that is payable to the Company's registered representatives. This estimate is based on the historical average payout ratio, which is based on signed contracts with each of the registered representatives.

*Income Taxes*

The Company records deferred income tax assets and liabilities based upon the difference between the financial statement and income tax bases of assets and liabilities using enacted income tax rates. Valuation allowances are established when necessary to reduce deferred income tax assets to the amount expected to be realized. Income tax expense is the tax payable for the period and the change during the period in net deferred income tax assets and liabilities.

The Financial Accounting Standards Board ("FASB") issued ASC 740 Income Taxes which clarifies the accounting for uncertainty in income taxes recognized in the financial statements. ASC 740 provides that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. The Company's evaluation as of June 30, 2014 revealed no uncertain tax positions.

*Concentration of Risk*

The Company maintains cash interest bearing deposits at several financial institutions. Two of these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 limit per institution. At June 30, 2014, the Company's cash balance with these two institutions did not exceed the FDIC limit. The other financial institutions are not insured by the FDIC. At June 30, 2014, the Company's uninsured cash balance with these institutions was \$7,117.

**Keystone Capital Corporation**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 1 - Summary of Significant Accounting Policies (continued)**

*Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

**Note 2 – Operating Lease**

During the year, the Company entered into a forty month lease agreement for office space commencing on August 1, 2013 and ending on December 31, 2016. The lease calls for monthly payments of \$1,789. Future lease payments for the years ending June 30, 2015, 2016, and 2017 are \$21,467, \$21,467, and \$10,734, respectively. For the year ended June 30, 2014, rent expense was \$21,679, including \$2,001 for space rented under a previous lease that was replaced by the current lease. Rent expense was included in the occupancy expenses on the statement of operations.

**Note 3 – Net Capital Requirements**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC rule 15c3-1) which requires the maintenance of minimum net capital, and requires that the ratio of aggregate indebtedness to net capital shall not exceed certain limits. As of June 30, 2014, the Company had net capital of \$7,681 in excess of its required net capital of \$7,266. The Company's ratio of aggregate indebtedness to net capital was 7.29 to 1.

**Note 4– Statement of Changes in Subordinated Borrowings**

The Company had no subordinated borrowings at any time during the year ended June 30, 2014; therefore, a Statement of Changes in Liabilities Subordinated to Claims of Creditors has not been included in these financial statements.

**Note 5 – Income Taxes**

The Company files income tax returns in the U.S federal and California jurisdictions. The Company is no longer subject to U.S. federal, state and local income tax examinations for years before 2011.

Income taxes are accounted for using the asset and liability method. Deferred income tax assets and liabilities are computed for differences between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income.

**Keystone Capital Corporation**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 5 – Income Taxes (continued)**

The Company had available at June 30, 2014, an estimated federal net operating loss carryforward of approximately \$410,000. The estimated net operating loss carryforward will expire at various times through 2034. Additionally, the Company's ability to utilize the net operating loss carryforward is limited by Internal Revenue Code Section 382 and related Treasury Regulations because of changes in ownership. As of June 30, 2014, the Company estimates that approximately \$350,000 of operating losses are usable to offset future operating income. Any amount of the annual loss limitation not utilized in a given year, beginning in 2013, is carried forward and will be available to offset against tax liabilities in future years (subject to expiration as described above).

The benefit for income taxes at June 30, 2014 was comprised of the following:

Federal - deferred	\$	60,000
State - deferred		<u>20,000</u>
Benefit from income taxes	\$	<u>80,000</u>

The deferred tax asset at June 30, 2014, consisted of the net operating loss carryforward in the amount of \$120,000.

**Note 6 – Supplemental Schedules Required Under Rule 15c3-3**

The Company claims exemption k(2)ii from rule 15c3-3 of the Securities and Exchange Commission as an introducing broker or dealer, clears all transactions with and for customers on a fully disclosed basis with a clearing broker or dealer. The Company does not carry securities for customers or perform custodial functions relating to customer securities, therefore the following schedules required under rule 15c3-3 of the Securities and Exchange Commission have not been prepared in these financial statements: Schedule II – Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3, Schedule III – Information Relating to Possession or Control Requirements Under Rule 15c3-3, and Schedule IV – Schedule of Segregation Requirements and Funds in Segregation for Customers' Regulated Commodities Futures and Options Accounts.

**Note 7 – Subsequent Events**

The Company has evaluated subsequent events in accordance with Accounting Standards Codification Topic 855, Subsequent Events, through August 28, 2014, which is the date the financial statements were available to be issued.

**Note 8 – Restated Supplementary Information**

On October 20, 2014, the Company restated certain supplementary information contained in Schedule 1 – Computation of Net Capital under Rule 15c3-1 of Securities and Exchange Commission As of June 30, 2014. The restatement is due to a correction of non-allowable assets and an understatement of

**Keystone Capital Corporation**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2014**

**Note 8– Restated Supplementary Information (continued)**

aggregate indebtedness in the previously issued supplementary information. The following table shows the previously reported amounts and the restated amounts for the affected line items in Schedule 1.

	<b>Amounts Previously</b>	
	<u>Reported</u>	<u>Amounts Restated</u>
Total non-allowable assets	\$ 138,296	\$ 130,657
Net Capital	7,308	14,947
Aggregate indebtedness	35,492	108,991
Computation of basic net capital requirement		
Minimum net capital required (\$5,000 or 6.23% of aggregate indebtedness)	5,000	7,266
Excess net capital (net capital minus minimum net capital)	2,308	7,681
Excess net capital at 100% (Net capital minus 10% of total aggregate indebtedness or 120% of minimum net capital required)	1,308	4,048
Ratio: aggregate indebtedness to net capital	486%	729%

In addition to the restatement of Schedule 1, the Company also made corresponding restatements to the related disclosures in Note 3. The restatement of the supplemental information had no impact on the basic financial statements of the Company or its footnotes, except as noted above.

**Keystone Capital Corporation**  
**Schedule I**  
**Computation of Net Capital under Rule 15c3-1**  
**of the Securities and Exchange Commission**  
**As of June 30, 2014**

	Original Focus Report	Adjustments	Audited Financial Statements
Net capital			
Total shareholders' equity	\$ 58,595	87,009	\$ 145,604
Deductions and /or charges:			
Non-allowable assets:			
CRD account	218	-	218
Other receivable	-	7,844	7,844
Deferred taxes	40,000	80,000	120,000
Equipment net	3,855	(1,260)	2,595
Total non-allowable assets	<u>44,073</u>		<u>130,657</u>
Net capital	<u>\$ 14,522</u>		<u>\$ 14,947</u>
Aggregate indebtedness	<u>\$ 14,060</u>	94,931	<u>\$ 108,991</u>
Computation of basic net capital requirement			
Minimum net capital required	<u>\$ 5,000</u>		<u>\$ 7,266</u>
(\$5,000 or 6 2/3% of aggregate indebtedness)			
Excess net capital (net capital minus minimum net capital)	<u>\$ 9,522</u>		<u>\$ 7,681</u>
Excess net capital at 100%	<u>\$ 8,522</u>		<u>\$ 4,048</u>
(Net capital minus 10% of total aggregate indebtedness or 120% of minimum net capital required)			
Ratio: aggregate indebtedness to net capital	<u>97%</u>		<u>729%</u>

Adjustments to shareholders equity between original focus report and amended focus report consist of:

Adjustment to correct accounts payable	\$ (17,632)
Adjustment to correct cash and cash equivalent accounts	11,554
Adjustment to correct commissions receivable	92,615
Adjustment to correct commissions payable	(77,298)
Adjustment to record depreciation	(1,260)
Adjustment to correct prepaid insurance	(970)
Adjustment to record deferred tax asset	80,000
	<u>\$ 87,009</u>

**Keystone Capital Corporation**  
**Schedule II**  
**Computation for Determination of Reserve Requirements under**  
**Rule 15c3-3 of the Securities and Exchange Commission**  
**As of June 30, 2014**

**Exemptive Provisions**

The Company has claimed an exemption from Rule 15c-3-3 under section (k)(2)ii.

**Keystone Capital Corporation**  
**Schedule III**  
**Information Relating to Possession or Control Requirements**  
**Under Rule 15c3-3 of the Securities and Exchange Commission**  
**As of June 30, 2014**

**Exemptive Provisions**

The Company has claimed an exemption from Rule 15c-3-3 under section (k)(2)ii.

**Keystone Capital Corporation**  
**Schedule IV**  
**Schedule of Segregation Requirements and Funds in Segregation for**  
**Customers' Regulated Commodities Futures and Options Accounts**  
**As of June 30, 2014**

**Exemptive Provisions**

The Company has claimed an exemption from Rule 15c-3-3 under section (k)(2)ii.



3325 Saw Mill Run Blvd.  
Pittsburgh, PA 15227-2736  
412/885-5045  
Fax 412/885-4870  
www.gbaco.com

*Certified Public Accountants*

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of  
Keystone Capital Corporation

We have reviewed management's statements, included in the accompanying exemption report, in which Keystone Capital Corporation identified the following provisions of 17 C.F.R. § 15c3-3(k) under which Keystone Capital Corporation claimed an exemption from 17 C.F.R. § 240.15c3-3: (2)(ii) (the "exemption provisions") and Keystone Capital Corporation stated that Keystone Capital Corporation met the identified exemption provisions throughout the most recent fiscal year without exception. Keystone Capital Corporation's management is responsible for compliance with the exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and, accordingly, included inquiries and other required procedures to obtain evidence about Keystone Capital Corporation's compliance with the exemption provisions. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's statements. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to management's statements referred to above for them to be fairly stated, in all material respects, based on the conditions set forth in paragraph (k)(2)(ii), of Rule 15c3-3 under the Securities Exchange Act of 1934.

  
GOFF BACKA ALFERA & COMPANY, LLC

Pittsburgh, Pennsylvania  
August 28, 2014



**Management Report on Exemption Provisions**

**We are exempt under SEC Rule 15c3-3 (k) (2) (ii). We met the identified exemption provisions throughout the most recent fiscal year without exception.**

*Blake W. Daniels* 08-27-14  
Blake W Daniels  
CFO