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

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

SEC FILE  
NUMBER  
8-26943

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 01/01/13 AND ENDING 12/31/13  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:  
BRUCE A. LEFAVI SECURITIES, INC.

OFFICIAL USE ONLY  
FIRM ID. NO.

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

2323 FOOTHILL DRIVE, SUITE 100

(No. And Street)

SALT LAKE CITY

UTAH

84109

(City)

(State)

(Zip Code)

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

BRUCE A. LEFAVI

(801) 486-9000

(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

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

Jones Simkins LLC

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

1011 West 400 North, Suite 100

(Address)

Logan

(City)

Utah

(State)

84323-0747

(Zip Code)

CHECK ONE:

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

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124

\*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)

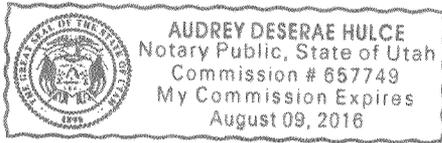
SEC 1410 (06-02) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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3/29/14

**OATH OR AFFIRMATION**

I, Bruce A. Lefavi, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Bruce A. Lefavi Securities, Inc., as of December 31, 2013, 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  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



*[Handwritten Signature]*  
 \_\_\_\_\_  
 Signature

President  
 \_\_\_\_\_  
 Title

*[Handwritten Signature: Audrey Deserae Hulce]*  
 \_\_\_\_\_  
 Notary Public

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

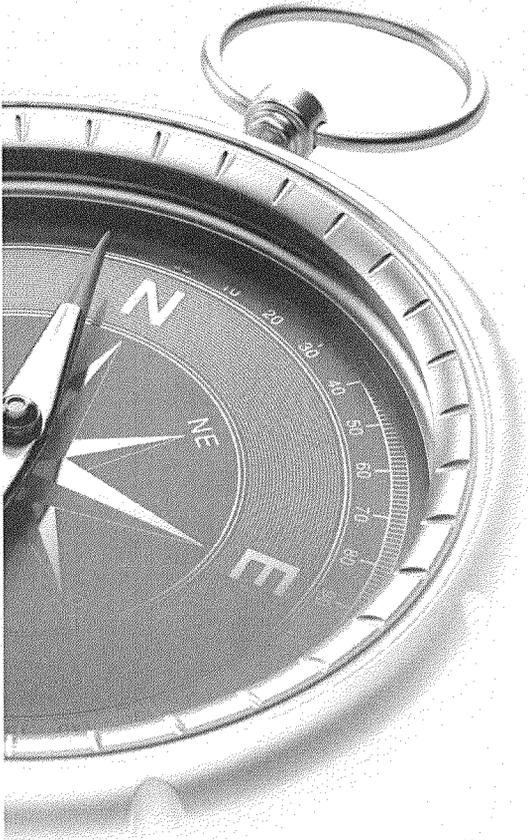
- (a) Facing page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes of Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (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.
- (o) Independent auditor's report on internal control structure required by SEC Rule 17a-5.

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

**BRUCE A. LEFAVI SECURITIES, INC.**

**FINANCIAL STATEMENTS and  
SUPPLEMENTARY INFORMATION**

**December 31, 2013**



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124



BRUCE A. LEFAVI SECURITIES, INC.  
INDEX TO FINANCIAL STATEMENTS  
December 31, 2013

	<u>Page</u>
Introductory Section:	
Facing Page Annual Audited Report	1
Oath or Affirmation	2
Financial Section:	
Independent Auditors' Report	3
Statement of Financial Condition	5
Statement of Income	6
Statement of Changes in Stockholders' Equity	7
Statement of Cash Flows	8
Notes to Financial Statements	9
Supplemental Information:	
Schedule 1 – Computation of Net Capital Under Rule 15c3-1 of the Securities and Exchange Commission	13
Schedule 2 – Computation for Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	14
Schedule 3 – Information Relating to Possession or Control Requirements Under Rule 15c3-3 of the Securities and Exchange Commission	15
Independent Auditors' Report on Internal Control Under SEC Rule 17a-5(g)(1)	16



Certified Public Accountants

www.jones-simkins.com

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6715 South 1300 East, Suite 250  
Salt Lake City, UT 84121  
Phone: (801) 561-6026  
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## INDEPENDENT AUDITORS' REPORT

To the Stockholder of  
Bruce A. Lefavi Securities, Inc.  
Salt Lake City, Utah

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Bruce A. Lefavi Securities, Inc. (the Company), which comprise the statement of financial condition as of December 31, 2013, and the related statement 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.

### ***Auditors' Responsibility***

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 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 auditors' 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bruce A. Lefavi Securities, Inc. as of December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The information contained in Schedules 1, 2, and 3 is presented for purposes of additional analysis and is not a required part of the 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 1, 2, and 3 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 in Schedules 1, 2, and 3 is fairly stated in all material respects in relation to the financial statements as a whole.



JONES SIMKINS LLC

Logan, Utah

February 28, 2014

BRUCE A. LEFAVI SECURITIES, INC.  
STATEMENT OF FINANCIAL CONDITION  
December 31, 2013

<u>ASSETS</u>	
Cash	\$ 381,722
Commissions receivable	116,531
Prepaid expenses	18,923
Deposits with clearing organizations	<u>15,000</u>
 Total assets	 <u>\$ 532,176</u>
 <u>LIABILITIES AND STOCKHOLDER'S EQUITY</u>	
Liabilities:	
Accounts payable and accrued liabilities	\$ <u>47,652</u>
 Total liabilities	 <u>47,652</u>
 Stockholder's equity:	
Common stock, \$1 par value; 50,000 shares authorized, 5,000 shares issued and outstanding	5,000
Additional paid-in capital	21,208
Retained earnings	<u>458,316</u>
 Total stockholder's equity	 <u>484,524</u>
 Total liabilities and stockholder's equity	 <u>\$ 532,176</u>

The accompanying notes are an integral part of these financial statements.

BRUCE A. LEFAVI SECURITIES, INC.  
STATEMENT OF INCOME  
Year Ended December 31, 2013

Revenue:	
Commissions	\$ 3,362,558
Other income	<u>298</u>
Total revenue	<u>3,362,856</u>
Expenses:	
Employee compensation and benefits	1,123,022
General and administrative expenses	377,576
Regulatory and clearing fees	217,263
Occupancy	<u>113,651</u>
Total expenses	<u>1,831,512</u>
Net income	\$ <u><u>1,531,344</u></u>

The accompanying notes are an integral part of these financial statements.

BRUCE A. LEFAVI SECURITIES, INC.  
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
Year Ended December 31, 2013

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
	<u>Shares</u>	<u>Amount</u>			
Balance at January 1, 2013	5,000	\$ 5,000	\$ 21,208	\$ 121,972	\$ 148,180
Dividends	-	-	-	(1,195,000)	(1,195,000)
Net income	-	-	-	1,531,344	1,531,344
Balance at December 31, 2013	<u>5,000</u>	<u>\$ 5,000</u>	<u>\$ 21,208</u>	<u>\$ 458,316</u>	<u>\$ 484,524</u>

The accompanying notes are an integral part of these financial statements.

BRUCE A. LEFAVI SECURITIES, INC.  
STATEMENT OF CASH FLOWS  
Year Ended December 31, 2013

<u>Cash flows from operating activities:</u>	
Net income	\$ 1,531,344
Adjustments to reconcile net income to net cash provided by operating activities:	
(Increase) decrease in:	
Commissions receivable	34,694
Prepaid expenses	(94)
Decrease in:	
Accounts payable and accrued liabilities	<u>(99,091)</u>
Net cash provided by operating activities	<u>1,466,853</u>
<u>Cash flows from investing activities:</u>	<u>-</u>
<u>Cash flows from financing activities:</u>	
Dividends paid	<u>(1,195,000)</u>
Net cash used in investing activities	<u>(1,195,000)</u>
Net increase in cash	271,853
Cash, beginning of year	<u>109,869</u>
Cash, end of year	<u>\$ 381,722</u>

The accompanying notes are an integral part of these financial statements

BRUCE A. LEFAVI SECURITIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

Note 1 – Organization and Summary of Significant Accounting Policies

Organization

Bruce A. Lefavi Securities, Inc. (the “Company”) is a securities broker-dealer located in Salt Lake City and is registered with the Securities and Exchange Commission (“SEC”) and is a member of the Financial Industry Regulatory Authority (“FINRA”). Customers are located in states in which the Company is registered. Commission revenue is derived principally from trading in securities, mutual fund retailing, selling annuities and limited partnerships, etc. Securities transactions for customers are cleared through another broker-dealer on a fully disclosed basis. Mutual fund, annuity and limited partnership transactions are cleared through various investment companies.

Concentrations of Credit Risk

The Company’s cash balances maintained with banks are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Company’s account balances maintained with brokerage firms are insured up to \$500,000 by the Securities Investor Protection Corporation with a limit of \$100,000 for cash. The Company has not experienced any credit losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

The Company sells mutual funds for various mutual fund companies for which services the Company receives commission payments. In the event these mutual fund companies do not fulfill their commission payment obligations, the Company may be exposed to risk. It is the Company’s policy to review, as necessary, the financial condition of these mutual fund companies.

Other Significant Concentrations

The Company is headquartered in Salt Lake City, Utah. It has no single customer that represents a significant portion of total revenue. Additionally, the Company maintains licensing and registration in a majority of the states in the United States. The Company receives commissions from various clearing brokers. Should the clearing brokers fail to perform according to the terms of their agreement, the Company would be required to seek relief through the legal system as an unsecured creditor.

Commissions Receivable

Commissions receivable are amounts due from mutual fund and various other investment companies and are unsecured. Commissions receivable are carried at their estimated collectible amounts. No provision for losses on commissions receivable exists based on past experience with the companies.

BRUCE A. LEFAVI SECURITIES, INC.  
NOTES TO FINANCIAL STATEMENTS

December 31, 2013

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition

The Company invests in mutual funds, annuities and limited partnerships, etc. These transactions are recorded on the trade date, as if they had settled. Commissions earned on the sale of investments and any related expenses are also recorded on a trade-date basis.

Advertising

Advertising costs are charged to operations when the advertising first takes place.

Income Taxes

The Company, with the consent of the stockholder, has elected under Subchapter “S” of the Internal Revenue Code to be treated substantially as a partnership instead of a corporation for income tax purposes. As a result, the shareholder reports the entire corporate taxable income on his individual tax returns.

In accordance with ASC 740, *Income Taxes*, management evaluates uncertain tax positions taken by the Company. The Company considers many factors when evaluating and estimating potential tax positions and tax benefits. Tax positions are recognized only when it is more likely than not (likelihood of greater than 50%), based on technical merits, that the positions will be sustained upon examination. Reserves are established if it is believed certain positions may be challenged and potentially disallowed. If facts and circumstances change, reserves are adjusted through a provision for income taxes. If interest expense and penalties related to unrecognized tax benefits were to occur, they would also be recognized in the provision for income taxes.

Tax years 2010, 2011, and 2012 remain open to examination by the U.S. Internal Revenue Service and by state taxing authorities.

Cash Flows

For the purposes of the statement of cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of three months or less that are not held for sale in the ordinary course of business.

BRUCE A. LEFAVI SECURITIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

Note 1 – Organization and Summary of Significant Accounting Policies (continued)

Use of Estimates in the Preparation of Financial Statements

The process of preparing the financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Note 2 – Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

Accounts payable	\$ 25,178
Commissions payable	<u>22,474</u>
	\$ <u>47,652</u>

Note 3 – Clearing Organization Transactions

The Company's securities transactions are cleared through a broker-dealer on a fully disclosed basis. The Company does not handle or hold customer funds or securities. Financial statement amounts related to these clearing arrangements are netted into a single account called Deposits With Clearing Organizations. The Company is required by the clearing broker-dealer to maintain a minimum deposit of \$15,000 at all times.

Note 4 – Related Party Transactions

The Company rents its operating space and equipment from an entity owned by the stockholder under a month-to-month agreement. During the year ended December 31, 2013, the Company paid \$113,651 for rent expense to this related party.

Note 5 – Supplemental Cash Flow Information

During the year ended December 31, 2013, the Company paid no interest.

BRUCE A. LEFAVI SECURITIES, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2013

Note 6 – Commitments and Contingencies

The Company may become subject to investigations, examinations, claims, or lawsuits arising in the ordinary course of its business. The Company is currently not aware of any such items that it believes could have a material adverse effect on its financial statements.

Note 7 – 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 also requires that the ratio of aggregate indebtedness to net capital shall not exceed 15 to 1. At December 31, 2013, the Company had net capital of \$433,425, which was \$428,425 in excess of its required net capital of \$5,000. The Company's net capital ratio was .11 to 1.

Note 8 – Subsequent Events

The Company evaluated its December 31, 2013 financial statements for subsequent events through February 28, 2014, the date the financial statements were available to be issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

BRUCE A. LEFAVI SECURITIES, INC.  
COMPUTATION OF NET CAPITAL UNDER RULE 15c3-1 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
December 31, 2013

Net Capital:

Total ownership equity	\$ 484,524
Ownership equity not allowable for net capital	<u>-</u>
Total ownership equity qualified for net capital	484,524
Additions for allowable subordinated liabilities and other credits	<u>-</u>
Total capital and allowable subordinated liabilities	484,524
Deductions for non-allowable assets	<u>(51,099)</u>
Net capital before haircuts on securities positions	433,425
Haircuts on securities	<u>-</u>
Net capital	<u>\$ 433,425</u>

Aggregate indebtedness:

Total liabilities from Statement of Financial Condition	<u>\$ 47,652</u>
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Computation of basic net capital requirement:

Minimum net capital required	<u>\$ 5,000</u>
Excess net capital	<u>\$ 428,425</u>
Excess net capital at 1000% (net capital - 120% of minimum required)	<u>\$ 427,425</u>
Ratio of aggregate indebtedness to net capital	<u>0.11 to 1</u>

Reconciliation with Company's computation (included in Part IIA of Form X-17A-5 as of December 31, 2013) (as amended on February 28, 2014):

Net capital, as reported in Company's Part IIA (unaudited) FOCUS report	\$ 433,425
Reconciling items	<u>-</u>
Net capital per above	<u>\$ 433,425</u>

BRUCE A. LEFAVI SECURITIES, INC.  
COMPUTATION FOR DETERMINATION OF RESERVE  
REQUIREMENTS UNDER RULE 15c3-3 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
December 31, 2013

Per paragraph K(2)(ii), the Company is exempt from the provisions of Rule 15c3-3 of the Securities and Exchange Commission as an introducing broker or dealer, who clears all transactions with and for customers on a fully disclosed basis with a clearing broker or dealer, and who promptly transmits all customer funds and securities to the clearing broker or dealer which carries all of the accounts of such customers and maintains and preserves such books and records pertaining thereto. Therefore, the Company makes no computation for determination of reserve requirements pursuant to the rule.

BRUCE A. LEFAVI SECURITIES, INC.  
INFORMATION RELATING TO POSSESSION OR  
CONTROL REQUIREMENTS UNDER RULE 15c3-3  
OF THE SECURITIES AND EXCHANGE COMMISSION  
December 31, 2013

Per paragraph K(2)(ii), the Company is exempt from the provisions of Rule 15c3-3 of the Securities and Exchange Commission as a broker or dealer which carries no customer accounts and does not otherwise hold funds or securities of customers and retains no possession or control of such. The Company therefore has no information to report relating to the possession or control requirements pursuant to the rule.



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Salt Lake City, UT 84121  
Phone: (801) 561-6026  
Fax: (801) 561-2023

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
UNDER SEC RULE 17a-5(g)(1)

To the Stockholder of  
Bruce A. Lefavi Securities, Inc.  
Salt Lake City, Utah

In planning and performing our audit of the financial statements of Bruce A. Lefavi Securities, Inc. (the Company), as of and for the year ended December 31, 2013, 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 audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by Rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in Rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under Rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of Rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by Rule 17a-13.
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected

benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's previously mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *significant deficiency* is a deficiency, or 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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. However, we identified the following deficiency in internal control that we consider to be a material weakness, as defined above. This condition was considered in determining the nature, timing, and extent of the procedures performed in our audit of the financial statements of the Company as of and for the year ended December 31, 2013, as this report does not affect our report thereon dated February 28, 2014.

The Company's controls for preparing financial statements in compliance with U.S. Generally Accepted Accounting Principles were not sufficient resulting in audit adjustments.

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, 2013, to meet the SEC's objectives.

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

*Jones Simkins LLC*

JONES SIMKINS LLC

Logan, Utah

February 28, 2014