

Statement of Financial Condition  
(Expressed in United States dollars)

**RAYMOND JAMES (USA) LTD.**

Year ended September 30, 2012



**KPMG LLP**  
**Chartered Accountants**  
PO Box 10426 777 Dunsmuir Street  
Vancouver BC V7Y 1K3  
Canada

Telephone (604) 691-3000  
Fax (604) 691-3031  
Internet [www.kpmg.ca](http://www.kpmg.ca)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors  
Raymond James (USA) Ltd.

We have audited the accompanying statement of financial condition of Raymond James (USA) Ltd. as of September 30, 2012 that are filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit of a statement of financial condition also includes examining, on a test basis, evidence supporting the amounts and disclosures in that statement of financial condition, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Raymond James (USA) Ltd. as of September 30, 2012, in conformity with U.S. generally accepted accounting principles.

Chartered Accountants

November 23, 2012  
Vancouver, Canada

# RAYMOND JAMES (USA) LTD.

Statement of Financial Condition  
(Expressed in United States dollars)

September 30, 2012

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## Assets

Cash and cash equivalents	\$ 4,526,406
Deposits in compliance with reserve requirements (note 3)	3,024,094
Client and broker receivables (note 5)	8,787,788
Other assets	878,776
	<hr/>
	\$ 17,217,064

## Liabilities and Stockholder's Equity

Client and broker payables (note 5)	\$ 8,738,516
Due to related party (note 5)	110,744
Other accounts payable	142,024
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	8,991,284
Stockholder's equity:	
Capital stock (note 4)	1,045,000
Retained earnings	7,180,780
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	8,225,780
	<hr/>
	\$ 17,217,064

See accompanying notes to financial statements.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition  
(Expressed in United States dollars)

Year ended September 30, 2012

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## 1. Operations:

Raymond James (USA) Ltd. (the "Company") is incorporated under the Canada Business Corporations Act. The Company was previously incorporated under the laws of the State of New York, United States of America, then merged with a newly incorporated Arizona company for purposes of continuance as an existing corporation under the Canada Business Corporations Act on September 15, 2006. The Company is registered as a broker in the United States of America and is a wholly owned subsidiary of Raymond James Ltd., a Canadian registered investment dealer and member of Investment Industry Regulatory Organization of Canada ("IIROC"), Canadian Investor Protection Fund, the Toronto Stock Exchange, TSX Venture Exchange, and the Montreal Exchange.

The Company is a broker-dealer registered with the United States Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority ("FINRA"), and Securities Investor Protection Corporation.

## 2. Significant accounting policies:

### (a) Financial statement presentation:

The financial statements are presented in accordance with accounting principles generally accepted in United States of America.

### (b) Securities transactions:

The Company records its agency securities transactions on a trade date basis.

### (c) Income taxes:

The Company follows the asset and liability method in accounting for income taxes which requires the recording of deferred assets and liabilities to recognize the expected future tax consequences of events that have been reflected in the Company's financial statements or tax returns and the adjustment of deferred tax balances to reflect tax rate changes. As at September 30, 2012, the Company's tax basis in its assets and liabilities was equal to its financial statement basis amounts for such assets and liabilities.

### (d) Cash and cash equivalents:

Cash equivalents are investments that are held for less than 90 days and are readily convertible into known amounts of cash.

### (e) Financial instruments:

The fair value of cash and term deposits, deposits in compliance with reserve requirements, clearing deposits, clients and broker receivables, other assets, due from related party, client and broker payables and other accounts payable approximate their fair value due to the short-term maturities of these instruments.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition  
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Year ended September 30, 2012

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## 2. Significant accounting policies (continued):

### (f) Use of estimates:

The preparation of financial statements 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, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

## 3. Deposits in compliance with reserve requirements:

The deposit of \$3,024,094 cash at September 30, 2012 is held in compliance with reserve requirements. The minimum amount (which fluctuates) required to be held on deposit under the reserve computation is \$88,257, and is restricted.

## 4. Capital stock:

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Authorized:

200 voting common shares without par value

Issued:

200 common shares

\$ 1,045,000

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## 5. Related party transactions:

Pursuant to an agreement dated March 1, 2008, between the Company and its parent Raymond James Ltd. ("RJL"), all securities and cash settlements with institutional clients, accounting, record keeping and regulatory processing and reporting services are provided to the Company by RJL. In consideration for these services, RJL receives 50% of all gross commissions and other fees earned with respect to trades conducted for institutional clients of Raymond James (USA) Ltd. In addition, Raymond James (USA) Ltd. is responsible for all direct expenses and is allocated operating expenses from RJL based on proportionate use. Fees are reviewed annually for reasonableness and consistent application.

During the year ended September 30, 2012, commissions and operating costs of \$8,195,616 were paid to RJL. As at September 30, 2012, the Company has \$110,744 payable to RJL. In addition, clients and brokers receivable include amounts due from RJL of \$3,439,898 and clients and brokers payable include amounts due to RJL of \$1,251,334.

# RAYMOND JAMES (USA) LTD.

Notes to Statement of Financial Condition  
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Year ended September 30, 2012

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## **6. Net capital requirement:**

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule which requires that the minimum net capital shall be the greater of \$250,000 or 2% aggregate debit items pursuant to Rule 15c3-3. At September 30, 2012, the Company had net capital pursuant to Rule 15c3-1 of \$7,402,568, which was \$7,152,568 in excess of its net capital requirement of \$250,000.

## **7. Liabilities subordinated to the claims of general creditors:**

As at and during the year ended September 30, 2012, the Company had no liabilities which were subordinated to the claims of general creditors.

# RAYMOND JAMES (USA) LTD.

Computation of Net Capital Pursuant to SEC Rule 15c3-1  
(Expressed in United States dollars)

Schedule 1

Year ended September 30, 2012

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Total capital:	
Total ownership equity	\$ 8,225,780
Deductions:	
Non-allowable assets:	
Due from related party, net	-
Other deductions	823,212
	<hr/> 823,212
Net capital	7,402,568
Minimum net capital required	250,000
Excess net capital	<hr/> \$ 7,152,568

The 2012 computation does not differ materially from the regulatory computation filed on its Focus II.

# **RAYMOND JAMES (USA) LTD.**

Computation for Determination of Reserve Requirements Pursuant to SEC Rule 15c3-3 Schedule 2  
(Expressed in United States dollars)

Year ended September 30, 2012

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As at September 30, 2012, the Company is subject to the reserve requirements under Rule 15c3-3 of the Securities Exchange Act of 1934. Under Rule 15c3-3, the excess of total credits over total debits was \$88,257. Therefore, the minimum reserve required under 15c3-3 as at September 30, 2012 is \$88,257. As at September 30, 2012, the Company had \$3,024,094 in cash on deposit in compliance with reserve requirements.

The above computation does not differ materially from the computation the Company filed on its Focus II.