

Statement of Financial Condition
(Expressed in United States dollars)

RAYMOND JAMES (USA) LTD.

Six months ended March 31, 2012

Unaudited

RAYMOND JAMES (USA) LTD.

Statement of Financial Condition

(Expressed in United States dollars)

Unaudited - Provided as required by SEC Rule 17a - 5

March 31, 2012

	2012
Assets	
Cash and cash equivalents	\$ 4,913,096
Deposits in compliance with reserve requirements (note 3)	3,022,900
Clients and brokers receivable (note 5)	20,100,303
Due from related party (note 5)	-
Other assets	290,320
	<hr/> \$ 28,326,619
Liabilities and Stockholder's Equity	
Clients and brokers payable (note 5)	\$ 19,735,823
Other accounts payable	383,452
	<hr/> 20,119,275
Stockholder's equity:	
Capital stock (note 4)	1,045,000
Retained earnings	7,162,344
	<hr/> 8,207,344
	<hr/> \$ 28,326,619

See accompanying notes to the Statement of Financial Condition

RAYMOND JAMES (USA) LTD.

Notes to the Statement of Financial Condition
(Expressed in United States dollars)
(Unaudited)
Six months ended March 31, 2012

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, U.S.A., 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 as prescribed by Statement of Financial Accounting Standard No. 109, *Accounting for Income Tax* ("FAS 109"). FAS 109 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 March 31, 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 carrying value of cash and term deposits, deposits in compliance with reserve requirements, clearing deposits, clients and brokers receivable, other assets, due to/from related party, clients and brokers payable and other accounts payable approximate their carrying value due to the short-term maturities of these instruments.

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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 \$3,022,900 cash at March 31, 2012 is held in compliance with reserve requirements. The amount required to be held on deposit under the reserve computation is \$5,450, and is restricted.

4. Capital stock:

	2012
Authorized:	
200 voting common shares without par value	
Issued:	
200 common shares	\$ 1,045,000

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 an allocation of operating expenses based on proportionate use. Fees are reviewed annually for reasonableness and consistent application.

Prior to March 1, 2008, commissions were allocated 90% to Raymond James Ltd. and 10% to Raymond James (USA) Ltd. as consideration for the services provided by RJL. The allocation was considered reasonable compensation for the various services provided. The results from October 1, 2007 to February 29, 2008 and prior year amounts have been reclassified to conform with current year presentation for purposes of comparability.

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5. Related party transactions (continued):

During the six months ended March 31, 2012, commissions and operating costs of \$4,017,772 were payable to RJL. As at March 31, 2012, the Company has \$199,265 payable to RJL. In addition, clients and brokers receivable include amounts due from RJL of \$2,258,401.

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 March 31, 2012, the Company had net capital pursuant to Rule 15c3-1 of \$7,956,665 which was \$7,706,665 in excess of its net capital requirement of \$250,000.

8. Liabilities subordinated to the claims of general creditors:

As at and during the six months ended March 31, 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
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(Unaudited)
March 31, 2012

Schedule 1

	2012
Total capital:	
Total ownership equity	\$ 8,207,344
Deductions:	
Non-allowable assets:	
Due from related party, net	-
Other Assets	246,372
Aged fail to deliver	4,307
Other deductions	-
Total deductions	250,679
Net capital	7,956,665
Minimum net capital required	250,000
Excess net capital	\$ 7,706,665

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Computation for Determination of Reserve Requirements Pursuant to SEC Rule 15c3-3 Schedule 2
(Expressed in United States dollars)
(Unaudited)
March 31, 2012

As at March 31, 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 \$5,450. Therefore, the minimum reserve required under 15c3-3 as at March 31, 2012 is \$5,450. As a March 31, 2012, the Company had \$3,022,900 in cash on deposit in compliance with reserve requirements.