

**TITLE 15—ELECTED OFFICIALS**

**Division 30—Secretary of State**

**Chapter 51—Broker-Dealers, Agents, Investment Advisers, and Investment Adviser  
Representatives**

**PROPOSED AMENDMENT**

**15 CSR 30-51.040 Financial Statements** The secretary is deleting section (1), amending subsections (2)(A) and (2)(B), and adding new subsection (2) and (3).

*PURPOSE: This amendment clarifies the form and content of financial statements filed by persons applying for registration and by persons registered as a broker-dealer or an investment adviser.*

*PURPOSE: This rule prescribes the **form and** content of financial statements filed by persons applying for registration and by persons registered as a broker-dealer or as an investment adviser.*

*[(1) A financial statement shall consist of a balance sheet, a profit and loss statement, statement of change in financial condition, certified unless otherwise prescribed hereinafter or permitted by the commissioner.]*

*[(2)] (1) Every applicant for initial registration as broker-dealer or investment adviser shall file a financial statement as follows:*

*(A) As to initial registration as a broker-dealer[, ]—*

**1. Applicants Not Engaged in Business in Other Jurisdictions.**

**A.** The applicant shall file a *[certified]* financial statement, **which must include a balance sheet, a profit and loss statement, and a statement of change in financial condition**, as of a date within thirty (30) days prior to the filing *[: provided if];*

**B. The financial statement must be prepared in compliance with section (2)(A) of this rule; and**

**C. The financial statement must be certified, reviewed, or otherwise attested to by an independent public accountant.**

**2. Applicants Engaged in Business in Other Jurisdictions.**

**A. If the applicant has been engaged in business one (1) year or more, *[s/he may file]* the required financial statement may be:**

**(I)** a certified financial statement as of the end of *[his/her]* **the applicant's** last fiscal period; together with

**(II)** a balance sheet, which need not be certified, as of a date within thirty (30) days prior to the filing.

**B.** If the annual financial statement is more than six (6) months old, *[s/he]* **the applicant** also shall file a semi-annual financial statement, which need not be certified. The semi-annual financial statement may consist wholly of a completed FOCUS report for that

period and a net capital computation (FOCUS Report, Form X-17A-5 (see 15 CSR 30-51.020)), as of the date of the balance sheet shall accompany the financial statement; and (B) As to initial registration as an investment adviser[, ]—

1. The applicant shall file a *[verified]* balance sheet current within thirty (30) days prior to filing;
2. **The balance sheet must be prepared in compliance with section (2)(A) of this rule; and**
3. **The balance sheet must be:**
  - A. **Certified, reviewed, or otherwise attested to by an independent public accountant or;**
  - B. **Accompanied by an oath or affirmation by the chief financial officer of the applicant or by the person executing the Form ADV that the information contained in the balance sheet is true and correct to the best knowledge, information, and belief of the person making the oath or affirmation.**

**(2) Preparation of Financial Records.**

**(A) A financial statement, balance sheet, profit and loss statement, statement of change in financial condition, income statement, cash flow statement, or other financial record required under this rule must be prepared in accordance with generally accepted accounting principles in the United States (US GAAP) or another accounting basis that:**

1. **Is generally accepted;**
2. **Is consistently applied;**
3. **Ensures transparency and clarity; and**
4. **Reasonably presents the adviser's or person's financial condition.**

**(B) For purposes of satisfying the recordkeeping requirements of 15 CSR 30-51.140(1)(F), a registered investment adviser or person required to be registered as an investment adviser in this state must maintain a balance sheet, an income statement, and a cash flow statement. Such financial records must:**

1. **Be prepared annually and in compliance with section (2)(A) of this rule;**
2. **Accurately reflect the financial condition of the investment adviser for the period specified in the records; and**
3. **Be—**

**A. Certified, reviewed, or otherwise attested to by an independent public accountant; or**

**B. Accompanied by an oath or attestation affirming that the information contained in the records is true and accurate to the best knowledge, information, and belief of the person making the oath or affirmation.**

**(3) For purposes of satisfying the requirements of this section, the Commissioner may accept a compilation or other accountant-prepared financial statement if accompanied by a sworn attestation from management and if the Commissioner**

**determines that the statement provides sufficient reliability for regulatory review. In limited cases, the Commissioner may accept an oath or affirmation by a chief financial officer or responsible principal, subject to the Commissioner's discretion to require additional accountant review or certification as needed.**

**(4) Any registered broker-dealer or investment adviser that has its principal place of business in another state will be deemed to have satisfied the financial reporting requirements of this section if it has complied with the financial reporting requirements of the state in which it maintains its principal place of business.**

*AUTHORITY: sections 409.4-411(b) and 409.6-605, RSMo 2016. Original rule filed June 25, 1968, effective Aug. 1, 1968. Amended: Filed May 21, 1969, effective Aug. 1, 1969. For intervening history, please consult the **Code of State Regulations**. Amended: Filed June 1, 2026.*

*PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.*

*PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.*

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Securities Division of the Office of Secretary of State by e-mail at [securities@sos.mo.gov](mailto:securities@sos.mo.gov) or mail at P.O. Box 1276, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*