

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

ANNUAL REPORTS
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PART III

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Information Required Pursuant to Rules 17a-5, 17a-12, and 18a-7 under the Securities Exchange Act of 1934

FILING FOR THE PERIOD BEGINNING 01/01/2023 AND ENDING 12/31/2023
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF FIRM: GRB Financial, LLC

TYPE OF REGISTRANT (check all applicable boxes):

- ☒ Broker-dealer ☐ Security-based swap dealer ☐ Major security-based swap participant
☐ Check here if respondent is also an OTC derivatives dealer

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use a P.O. box no.)

1415 West Randol Mill Road

(No. and Street)

Arlington

TX

76012

(City)

(State)

(Zip Code)

PERSON TO CONTACT WITH REGARD TO THIS FILING

Gerald R. Baker

817-861-7099

gerald@bakerfinancial.net

(Name)

(Area Code – Telephone Number)

(Email Address)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose reports are contained in this filing*

Rhodes Osiek Patyk & Company, L.L.P.

(Name – if individual, state last, first, and middle name)

2170 West Interstate 20 Arlington

TX

76017

(Address)

(City)

(State)

(Zip Code)

09/22/2009

3881

(Date of Registration with PCAOB)(if applicable)

(PCAOB Registration Number, if applicable)

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* Claims for exemption from the requirement that the annual reports be covered by the reports of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis of the exemption. See 17 CFR 240.17a-5(e)(1)(ii), if applicable.

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.

OATH OR AFFIRMATION

I, Gerald R. Baker, swear (or affirm) that, to the best of my knowledge and belief, the financial report pertaining to the firm of GRB Financial, LLC, as of 12/31, 2023, is true and correct. I further swear (or affirm) that neither the company nor any partner, officer, director, or equivalent person, as the case may be, has any proprietary interest in any account classified solely as that of a customer.



Leslie J. McKee
Notary Public

Signature: _____

Title: President

This filing** contains (check all applicable boxes):

- ☒ (a) Statement of financial condition.
- ☐ (b) Notes to consolidated statement of financial condition.
- ☒ (c) Statement of income (loss) or, if there is other comprehensive income in the period(s) presented, a statement of comprehensive income (as defined in § 210.1-02 of Regulation S-X).
- ☒ (d) Statement of cash flows.
- ☒ (e) Statement of changes in stockholders' or partners' or sole proprietor's equity.
- ☐ (f) Statement of changes in liabilities subordinated to claims of creditors.
- ☐ (g) Notes to consolidated financial statements.
- ☒ (h) Computation of net capital under 17 CFR 240.15c3-1 or 17 CFR 240.18a-1, as applicable.
- ☐ (i) Computation of tangible net worth under 17 CFR 240.18a-2.
- ☒ (j) Computation for determination of customer reserve requirements pursuant to Exhibit A to 17 CFR 240.15c3-3.
- ☐ (k) Computation for determination of security-based swap reserve requirements pursuant to Exhibit B to 17 CFR 240.15c3-3 or Exhibit A to 17 CFR 240.18a-4, as applicable.
- ☐ (l) Computation for Determination of PAB Requirements under Exhibit A to § 240.15c3-3.
- ☒ (m) Information relating to possession or control requirements for customers under 17 CFR 240.15c3-3.
- ☐ (n) Information relating to possession or control requirements for security-based swap customers under 17 CFR 240.15c3-3(p)(2) or 17 CFR 240.18a-4, as applicable.
- ☒ (o) Reconciliations, including appropriate explanations, of the FOCUS Report with computation of net capital or tangible net worth under 17 CFR 240.15c3-1, 17 CFR 240.18a-1, or 17 CFR 240.18a-2, as applicable, and the reserve requirements under 17 CFR 240.15c3-3 or 17 CFR 240.18a-4, as applicable, if material differences exist, or a statement that no material differences exist.
- ☐ (p) Summary of financial data for subsidiaries not consolidated in the statement of financial condition.
- ☒ (q) Oath or affirmation in accordance with 17 CFR 240.17a-5, 17 CFR 240.17a-12, or 17 CFR 240.18a-7, as applicable.
- ☐ (r) Compliance report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (s) Exemption report in accordance with 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (t) Independent public accountant's report based on an examination of the statement of financial condition.
- ☒ (u) Independent public accountant's report based on an examination of the financial report or financial statements under 17 CFR 240.17a-5, 17 CFR 240.18a-7, or 17 CFR 240.17a-12, as applicable.
- ☐ (v) Independent public accountant's report based on an examination of certain statements in the compliance report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☒ (w) Independent public accountant's report based on a review of the exemption report under 17 CFR 240.17a-5 or 17 CFR 240.18a-7, as applicable.
- ☐ (x) Supplemental reports on applying agreed-upon procedures, in accordance with 17 CFR 240.15c3-1e or 17 CFR 240.17a-12, as applicable.
- ☐ (y) Report describing any material inadequacies found to exist or found to have existed since the date of the previous audit, or a statement that no material inadequacies exist, under 17 CFR 240.17a-12(k).
- ☐ (z) Other: _____

**To request confidential treatment of certain portions of this filing, see 17 CFR 240.17a-5(e)(3) or 17 CFR 240.18a-7(d)(2), as applicable.

GRB FINANCIAL, LLC
REPORT PURSUANT TO RULE 17a-5(d)
YEAR ENDED DECEMBER 31, 2023

GRB FINANCIAL, LLC

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Curt H. Osiek
Michael A. Patyk
Paula J. Hunkler
Lisa M. Wharton

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of GRB Financial, LLC

Opinion on the Financial Statements

We have audited the accompanying statement of financial condition of GRB Financial, LLC as of December 31, 2023, the related statements of operations, changes in member's equity and cash flows for the year then ended, and the related notes and schedules (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of GRB Financial as of December 31, 2023, 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 of America.

Basis for Opinion

These financial statements are the responsibility of GRB Financial, LLC's management. Our responsibility is to express an opinion on GRB Financial, LLC's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to GRB Financial, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Auditor's Report on Supplemental Information

The supplemental information contained in Schedule I Computation of Net Capital Under Rule 15c3-1 of the Securities Exchange Commission and Schedule II Computation for Determination of Reserve Requirements Under Rule 15c3-3 of the Securities and Exchange Commission has been subjected to audit procedures performed in conjunction with the audit of GRB Financial, LLC's financial statements. The supplemental information is the responsibility of GRB Financial, LLC's management. Our audit procedures included determining whether the supplemental

information 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 supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with 17 C.F.R. §240.17a-5. In our opinion, Schedule I Computation of Net Capital is fairly stated, in all material respects, in relation to the financial statements as a whole.

Rhodes Quick Patyk & Company

We have served as GRB Financial, LLC's auditor since 2008.

Arlington, Texas

February 23, 2024

GRB FINANCIAL, LLC
STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2023

Assets

Cash	\$ 27,573
Commission receivable	6,983
Prepaid expenses	<u>1,590</u>
Total Assets	<u>\$ 36,146</u>

Liabilities and Member's Equity

Liabilities	
Commission payable	<u>\$ 3</u>
Total Liabilities	<u>3</u>
Member's Equity	<u>36,143</u>
Total Liabilities and Member's Equity	<u>\$ 36,146</u>

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

GRB FINANCIAL, LLC
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2023

Revenues

Commission income	<u>\$ 96,242</u>
Total Revenues	<u>96,242</u>

Expenses

Registered representative compensation	25,429
Regulatory fees and expenses	5,181
Professional fees	26,550
Insurance	<u>16,098</u>
Total Expenses	<u>73,258</u>

Income before provision for taxes	22,984
Provision for state income tax	<u>-</u>

Net Income	<u><u>\$ 22,984</u></u>
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The accompanying notes are an integral part of these financial statements.

GRB FINANCIAL, LLC
STATEMENT OF CHANGES IN MEMBER'S EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

Balances at December 31, 2022	\$63,159
Member's distribution	(50,000)
Net income	<u>22,984</u>
Balances at December 31, 2023	<u><u>\$36,143</u></u>

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

GRB FINANCIAL, LLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

Cash flows provided by operating activities:

Net income	\$ 22,984
Adjustments to reconcile net profit to net cash provided by operating activities:	
Changes in assets and liabilities	
Decrease in accounts receivable	995
Decrease in prepaid expenses	13,657
Decrease in account payable and accrued expenses	(34)
Net cash provided by operating activities	<u>37,602</u>
Cash flows from financing activities:	
Member distribution	<u>(50,000)</u>
Net cash (used in) financing activities	<u>(50,000)</u>
Cash at beginning of year	<u>39,971</u>
Cash at end of year	<u><u>\$ 27,573</u></u>

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

GRB FINANCIAL, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 – Summary of Significant Accounting Policies:

Organization and Nature of Business

GRB Financial, LLC (the "Company"), was formed on October 1, 2003. The Company is a broker-dealer registered with the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and is a member of the Securities Investor Protection Corporation ("SIPC"). The Company operates as a Texas Limited Liability Company ("LLC") and is wholly owned by a member. The Company is considered "Non-Covered Firm" exempt from 17 C.F.R. § 240.15c3-3 and is filing an Exemption Report relying on footnote 74 to SEC Release 34-70073, and as discussed in Q&A 8 of the related FAQ issued by the SEC staff. The Company limits its business activities exclusively to municipal securities broker, including 529 plans, mutual fund retailer-application way only and broker selling variable life insurance or annuities. The Company does not hold customer funds or securities. The Company's customers are located throughout the United States. The accounting and reporting policies of the Company conform to U.S. generally accepted accounting principles and to general practices within the securities industry.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company has defined cash equivalents as highly liquid investments, with original maturities of less than ninety days, which are not held for sale in the ordinary course of business. The Company maintains its operating cash at a financial institution.

Accounts Receivable

Commissions receivable are generally collected in full in the month following their accrual. As such, management has not recorded an allowance for doubtful accounts on these receivables. Management records an allowance for bad debts based on a collectability review of specific accounts. Any receivables deemed uncollectible are written off against the allowance.

Revenue Recognition

The Company earns revenue from selling unaffiliated mutual funds and variable annuity products. The performance obligation is satisfied at the time of each individual sale. A portion of the revenue is based on a fixed rate applied, as a percentage to, amounts invested at the time of sale. The remaining revenue is recognized over the time the client owns the investment or holds the contract and is generally earned based on a fixed rate applied, as a percentage, to the net asset value of the fund or annuity contract. The ongoing revenue is not recognized at the time of sale because it is variably constrained due to factors outside the Company's control including market volatility and client behavior (such as how long client holds their investment or annuity contract). The revenue will not be recognized until it is probable that a significant reversal will not occur.

GRB FINANCIAL, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 – Summary of Significant Accounting Policies (Cont.)

Use of Estimates

The Company's financial statements are presented in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Financial Accounting Standards Board ("FASB") Accounting Standards Codification (the Codification) is the single source of U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company is a single member limited liability company and is therefore treated as a disregarded entity for federal income tax purposes. Accordingly, income will be taxed at the member level rather than at the company level for federal income tax purposes.

Accounting policies

The financial statements of the Company have been prepared on an accrual basis in accordance with generally accepted accounting principles.

Property and Equipment

During 2023, the Company owned no property and equipment in its name. All of the equipment is owned by the owner of another entity.

Advertising costs

Advertising costs are expensed as incurred.

Compensated absences

Compensated absences have not been accrued because the amount cannot be reasonably estimated.

NOTE 2 – Net Capital Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities and Exchange Act of 1934, the Company is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily basis.

At December 31, 2023, the Company had net capital of \$27,570 and minimum net capital requirements of \$5,000. The Company's ratio of aggregate indebtedness to net capital was .01 to 1. The Securities and Exchange Commission permits a ratio of no greater than 15 to 1.

GRB FINANCIAL, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 – Possession or Control Requirements

The Company holds no customer funds or securities. The Company is considered “Non-Covered Firm” exempt from 17 C.F.R. § 240.15c3-3 and is filing an Exemption Report relying on footnote 74 to SEC Release 34-70073, and as discussed in Q&A 8 of the related FAQ issued by the SEC staff. The Company limits its business activities exclusively to private placement of securities, including direct participation programs and merger and acquisition advisory services.

NOTE 4 – Concentration Risk

The Company did not have cash balances in excess of federally insured limits anytime during the year.

NOTE 5 – Related Party Transactions

The Company is currently in an agreement with Baker Financial Services, an affiliated company, owned 90% by its sole member. This agreement makes available certain facilities and provides for performance of certain services for the Company. These services and facilities are provided without cost to the Company.

NOTE 6 – Liabilities Subordinated to Claims of General Creditor

During the year ended December 31, 2023, there were no subordinated liabilities to the claims of general creditors. Accordingly, a statement of changes in liabilities subordinated to claims of general creditors has not been included in these financial statements.

NOTE 7 – Recent Accounting Pronouncements

Recently issued accounting standards that have been issued or proposed by the FASB or other standards-setting bodies are not expected to have a material impact on the Company’s financial position or results of operations. The Company plans to adopt any new standards in accordance with the standards.

NOTE 8 – Commitments and Contingencies

The Company had no commitments or contingencies that were required to be accrued or disclosed.

NOTE 9 – Focus reports

There were no differences in the Company’s year-end financial statements and the Company’s December 31, 2023, Focus Report Part II.

NOTE 10 – Subsequent Events

Subsequent events have been evaluated for potential recognition and disclosure through February 23, 2024, which represents the date the financial statements were available for issuance and concluded that no additional disclosures are required.

Supplemental Information
Pursuant to Rule 17a-5
of the Securities Exchange Act of 1934
as of
December 31, 2023

Schedule I

GRB FINANCIAL, LLC
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of December 31, 2023

Computation of Net Capital

Total member's equity qualified for net capital	<u>\$ 36,143</u>
Deductions and/or charges	
Non-allowable assets:	
Commission receivable	(6,983)
Prepaid expenses	<u>(1,590)</u>
Total deductions from net worth	<u>(8,573)</u>
Net Capital	<u><u>\$ 27,570</u></u>

Aggregate indebtedness

Items included in statement of financial condition:

Commission payable	<u>3</u>
Total aggregate indebtedness	<u><u>\$ 3</u></u>

See accompanying report of independent registered public accounting firm.

Schedule I (continued)
GRB FINANCIAL, LLC
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
As of December 31, 2023

Computation of Basic Net Capital Requirement

Minimum net capital required (6 2/3% of aggregate indebtedness)	<u>\$ -</u>
Minimum dollar Net Capital Requirement of Reporting Broker or Dealer	<u>\$ 5,000</u>
Minimum Net Capital Requirement	<u>\$ 5,000</u>
Net Capital in Excess of Minimum Requirement	<u>\$ 22,570</u>
Net capital less greater of 10% of aggregate indebtedness or 120% of minimum net capital	<u>\$ 21,570</u>
Ratio of Aggregate Indebtedness to Net Capital	<u>.01 to 1</u>

No material differences existed between the audited computation of net capital pursuant to Rule 15c3-1 as of December 31, 2023 and the corresponding unaudited filing of part IIA of the FOCUS Report/Form X-17A-5 filed by GRB Financial, LLC. Accordingly no reconciliation is necessary.

See accompanying report of independent registered public accounting firm.

Schedule II

GRB FINANCIAL, LLC
Computation for Determination of Reserve Requirements Under
Rule 15c3-3 of the Securities and Exchange Commission
As of December 31, 2023

EXEMPTIVE PROVISIONS

The Company is considered “Non-Covered Firm” exempt from 17 C.F.R. § 240.15c3-3 and is filing an Exemption Report relying on footnote 74 to SEC Release 34-70073, and as discussed in Q&A 8 of the related FAQ issued by the SEC staff. The Company limits its business activities exclusively to municipal securities broker, including 529 plans, mutual fund retailer-application way only and broker selling variable life insurance or annuities.

See accompanying report of independent registered public accounting firm.

Report of Independent Registered Public Accounting Firm
On Management's Exemption Report
Required by SEC Rule 17a-5
Year Ended December 31, 2023

Curt H. Osiek
Michael A. Patyk
Paula J. Hunkler
Lisa M. Wharton

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders
of GRB Financial, LLC

We have reviewed management's statements, included in the accompanying Rule 15c3-3 Exemption Report pursuant to SEC Rule 17a-5, in which (1) GRB Financial, LLC (the Company) did not claim an exemption under paragraph (k) of 17 C.F.R. §240.15c3-3, and (2) the Company is filing this Exemption Report relying on Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 because the Company limits its business activities exclusively to municipal securities broker, including 529 plans, mutual fund retailer-application way only and broker selling variable life insurance and or annuities. In addition, the Company did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4 and/or funds received and promptly transmitted for effecting transactions via subscriptions on a subscription way basis where the funds are payable to the issuer or its agent and not to the Company; did not carry accounts of or for customers; and did not carry PAB accounts (as defined in Rule 15c3-3) throughout the most recent fiscal year without exception.

GRB Financial, LLC's management is responsible for compliance with the provisions contemplated by Footnote 74 of SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5 and related SEC Staff Frequently Asked Questions 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 GRB Financial, LLC'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 upon the Company's business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. § 240.17a-5, and related SEC Staff Frequently Asked Questions.

Rhodes Osiek Patyk & Company

Arlington, Texas

February 23, 2024

GRB Financial, LLC

Financial Advisors

1415 W. Randol Mill Road
Post Office Box 120427
Arlington, TX 76012

BROKER-DEALER ANNUAL EXEMPTION REPORT


DECEMBER 31, 2023

GRB Financial, LLC ("Company") is a registered broker-dealer subject to Rule 17a-5 promulgated by the Securities and Exchange Commission (17 C.F.R. §240.17a-5, "Reports to be made by certain brokers and dealers"). This Exemption Report was prepared as required by 17 C.F.R. §240.17a-5(d)(1) and (4). To the best of its knowledge and belief GRB Financial, LLC. states the following:

(1) The Company is filing this Exemption report because the Company's business activities contemplated by Footnote 74 of the SEC Release No. 34-70073 adopting amendments to 17 C.F.R. §240.17a-5 are limited exclusively to a mutual fund retailer on application way only basis where the funds are payable to the issuer or its agent and not the company, municipal securities broker including 529 plans, broker or dealer selling variable life insurance or annuities, broker or dealer selling tax shelters or limited partnerships in primary distributions, and private placement of securities.

(2) The Company (1) did not directly or indirectly receive, hold, or otherwise owe funds or securities for or to customers, other than money or other consideration received and promptly transmitted in compliance with paragraph (a) or (b)(2) of Rule 15c2-4; (2) did not carry accounts of or for customers; and (3) did not carry PAB accounts (as defined in Rule 15c3-3), throughout the most recent fiscal year without exception.

I, Gerald R. Baker, affirm that to my best knowledge and belief, this Exemption Report is true and correct.



Gerald R. Baker
President

February 23, 2024