

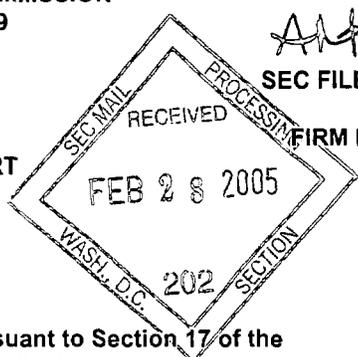
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549



05036850

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

FACING PAGE



AM 3/8/2005
SEC FILE NUMBER
8-53577

FIRM ID# 117008

8-53577

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 January 1, 2004 AND ENDING December 31, 2004

A. REGISTRANT IDENTIFICATION

FN: NAME OF BROKER - DEALER:
XSG: Crossroads Corporate Finance, LLC
XSG Corporate Finance, LLC

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

9 Executive Circle, Suite 190

(No. and Street)

Irvine
(City)

CA
(State)

92614
(Zip Code)

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

Edward Lyons

(949) 567-1610
(Area Code - Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

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

Block, Plant, Eisner, Fiorito & Belak-Berger

16542 Ventura Boulevard, Suite 300
(Address)

Encino
(City)

CA
(State)

91436
(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

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

PROCESSED
MAR 23 2005
THOMSON
FINANCIAL

FOR OFFICIAL USE ONLY

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).

3/11/05
AM

XSG Corporate Finance, LLC

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BLOCK, PLANT, EISNER, FIORITO & BELAK-BERGER

AN ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

GERALD S. BLOCK, C.P.A.
JANE A. PLANT, C.P.A.
SCOTT I. EISNER, C.P.A.
DANIEL J. FIORITO, C.P.A.
MARTIN BELAK-BERGER, C.P.A.

MEMBER OF
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditors' Report

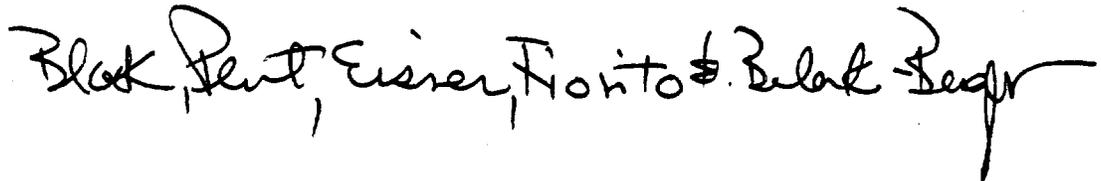
To the Board of Directors
XSG Corporate Finance, LLC
Irvine, California

We have audited the accompanying statement of financial condition of XSG Corporate Finance, LLC as of December 31, 2004, and the related statements of operations, changes in member's equity, and cash flows for the year then ended, that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of XSG Corporate Finance, LLC as of December 31, 2004 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.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule listed in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 under the Securities Exchange Act of 1934. Such schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Encino, California
February 21, 2005

XSG Corporate Finance, LLC

Statement of Financial Condition

ASSETS	
December 31,	2004
Cash, including certificate of deposit maturing January 17, 2005 of \$10,185	\$25,569
Prepaid expenses	1,465
Total assets	\$27,034

LIABILITIES AND MEMBER'S EQUITY	
Accounts payable	\$ 500
Due to affiliates	7,273
Total liabilities	7,773
Member's equity	19,261
Total liabilities and member's equity	\$27,034

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

XSG Corporate Finance, LLC

Statement of Operations

Year ended December 31,	2004
<hr/>	
Revenues:	
Interest income	\$ 74
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Total revenues	74
<hr/>	
Expenses:	
Bank service charges	112
Regulatory fees	3,930
Other expenses	8,218
<hr/>	
Total expenses	12,260
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Net loss	\$(12,186)

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

XSG Corporate Finance, LLC

Statement of Changes in Member's Equity

Year ended December 31,	2004
Balance at January 1, 2004	\$ 16,447
Net loss	(12,186)
Capital contributions	15,000
Balance at December 31, 2004	\$ 19,261

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

XSG Corporate Finance, LLC

Statement of Cash Flows

Year ended December 31,	2004
<hr/>	
Cash flows from operating activities:	
Net loss	\$(12,186)
Decrease in prepaid expenses	1,535
Increase in accounts payable	500
<hr/>	
Net cash used in operating activities	(10,151)
<hr/>	
Cash flows from financing activities:	
Member contributions	15,000
<hr/>	
Net cash provided by financing activities	15,000
<hr/>	
Net increase in cash and cash equivalents	4,849
Cash and cash equivalents at beginning of year	20,720
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Cash and cash equivalents at end of year	\$ 25,569

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

XSG Corporate Finance, LLC

Notes to Financial Statements

Summary of significant accounting principles:

XSG Corporate Finance, LLC (the "Company") is a licensed broker-dealer in California, Illinois, New York and Texas and is a member of the National Association of Securities Dealers, Inc. ("NASD"). The Company is a California Limited Liability Company that is wholly-owned by Xroads Solutions Group, LLC (the Parent).

The Company provides financial advisory services to its clients and on their behalf engages in private placements of debt and equity securities with institutional capital sources.

The Company is a single member LLC and is included in the tax filings of its owner, Xroads Solutions Group, LLC. There are no income taxes as they are the responsibility of the Parent. The Parent is responsible for paying all operating expenses and payroll.

The Company considers all short-term investments, which are highly liquid and are readily exchangeable for cash at amounts equal to their stated value as cash equivalents.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Minimum net capital:

Substantially all assets and liabilities are stated at fair value or at amounts which approximate fair value.

Pursuant to the net capital provisions of Rule 15c3-1 under the Securities Exchange Act of 1934, the Company is required to maintain minimum net capital and its ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2004, the Company had net capital of \$17,796, which was \$12,796 in excess of the required minimum. The Company's ratio of aggregate indebtedness to net capital was .44 to 1.

The Company is exempt from the customer protection provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k)(2)(ii) of the Rule.

Supplementary Information

XSG Corporate Finance, LLC

Schedule of Computation of Aggregate Indebtedness and Net Capital Pursuant to Rule 15c3-1 Under the Securities Exchange Act of 1934

December 31,	2004
Aggregate indebtedness	\$ 7,773
Net capital:	
Total member's equity from statement of financial condition	19,261
Subtract:	
Non-allowable assets	1,465
Net capital	17,796
Minimum net capital required	5,000
Excess net capital	\$ 12,796
Net capital less 10% of aggregate indebtedness	\$17,018
Ratio of aggregate indebtedness to net capital	.44

Statement Pursuant to Paragraph (d) - (4) of Rule 17a-5

There were no differences between this computation of net capital and the corresponding computation prepared by XSG Corporate Finance, LLC and included in the Company's un-audited Part IIA FOCUS Report filing as of the same date.

AFFIRMATION

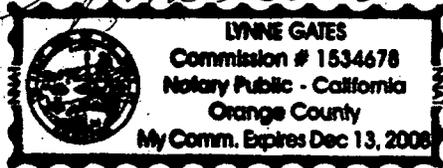
I, Edward Lyons, affirm that, to the best of my knowledge and belief, the accompanying financial statements and supplemental schedule pertaining to XSG Corporate Finance, LLC for the year ended December 31, 2004, are true and correct. I further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.



Edward Lyons,
Controller

Date: 2/25/05

State of California, County of Orange. Subscribed and sworn (or affirmed) to before me this 25th day of February, 2005.



BLOCK, PLANT, EISNER, FIORITO & BELAK-BERGER

AN ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

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MEMBER OF
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AND AGN INTERNATIONAL

Board of Directors
XSG Corporate Finance, LLC
Irvine, California

In planning and performing our audit of the financial statements of XSG Corporate Finance, LLC (the "Company") for the year ended December 31, 2004 (on which we issued our report dated February 21, 2005), we considered its internal control, including control activities for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the Company's internal control.

Also, as required by Rule 17a-5(g)(1) under the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including 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
2. Recordation of differences required by rule 17a-13
3. 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, and to assess whether those 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 above-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 any internal control or the practices and procedures referred to above, misstatements due to error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods are 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.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving internal control, including control activities for safeguarding securities, that we consider to be material weaknesses as defined above.

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 were adequate at December 31, 2004, to meet the SEC's objectives.

This report is intended solely for the information and use of the board of directors, management, the SEC, the National Association of Securities Dealers, Inc. 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.

Robert E. Fichtel & Belak-Bergin

Encino, California
February 21, 2005