

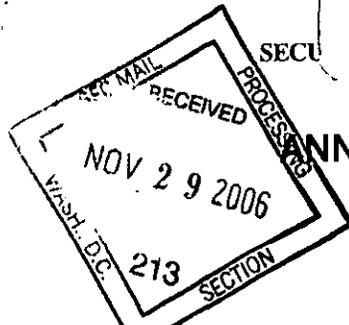
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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5**  
**PART III**

**FACING PAGE**  
**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 10/01/05 AND ENDING 09/30/06  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: NORTH BRIDGE CAPITAL, LLC  
 ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)  
45 SCHOOL STREET, 1ST FLOOR  
(No. and Street)  
BOSTON MA 02108  
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT  
RICHARD MURPHY (617) 573-0011  
(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*  
BRACE & SUSSMAN, PLLC  
(Name - if individual, state last, first, middle name)  
12 PARMENTER ROAD LONDONDERRY NH 03053  
(Address) (City) (State) (Zip Code)

- CHECK ONE:
- Certified Public Accountant
  - Public Accountant
  - Accountant not resident in United States or any of its possessions.

**PROCESSED**  
**DEC 26 2006**  
**THOMSON FINANCIAL**

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\*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)

OATH OR AFFIRMATION

I, RICHARD MURPHY, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of NORTH BRIDGE CAPITAL, LLC, as of SEPTEMBER 30, 2006, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Richard Murphy
Signature
MANAGING MEMBER
Title

Alice
Notary Public

- This report \*\* contains (check all applicable boxes):
(a) Facing Page.
(b) Statement of Financial Condition.
(c) Statement of Income (Loss).
(d) Statement of Changes in Financial Condition.
(e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
(f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
(g) Computation of Net Capital.
(h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
(i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
(j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
(k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
(l) An Oath or Affirmation.
(m) A copy of the SIPC Supplemental Report.
(n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

Richard Murphy
personally appeared before me, and proved his/her identification through satisfactory evidence, which were Mass drivers License to be the person whose name is signed on the preceding or attached document in my presence on this 28 day of Nov, 2006.
Alicia Giovanni Eberle Commonwealth of Massachusetts
Notary Public My Commission Expires November 1, 2013



**NORTH BRIDGE CAPITAL, LLC**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2006**

# BRACE & SUSSMAN, PLLC

*Certified Public Accountants*

12 PARMENTER ROAD

LONDONDERRY, NH 03053

TEL. (603) 437-1910

FAX (603) 437-3676

## Independent Auditor's Report

To the Members' of  
North Bridge Capital, LLC  
Boston, MA

We have audited the accompanying statement of financial condition of North Bridge Capital, LLC (the Company) as of September 30, 2006, and the related statements of income, changes in members' 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 North Bridge Capital, LLC as of September 30, 2006, and the results of their operations and their 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 information contained in Schedules I, II, III, and IV, 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 information 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.

*Brace & Sussman, PLLC*

Brace & Sussman, PLLC  
Certified Public Accountants  
Londonderry, New Hampshire  
November 22, 2006

**NORTH BRIDGE CAPITAL, LLC**

**STATEMENT OF FINANCIAL CONDITION**

**SEPTEMBER 30, 2006**

**ASSETS**

Cash and cash equivalents	\$ 231,554
Investment account	2,081,748
Accounts receivable	<u>1,211,693</u>
Total assets	<u>\$ 3,524,995</u>

**LIABILITIES AND MEMBERS' EQUITY**

Accounts payable, accrued liabilities	\$ -
Payable to non customers	<u>33,000</u>
Total liabilities	33,000
Members' equity	<u>3,491,995</u>
Total liabilities and members' equity	<u>\$ 3,524,995</u>

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

# NORTH BRIDGE CAPITAL, LLC

## NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2006

### NOTE 1- SIGNIFICANT ACCOUNTING POLICIES

#### Organization and Nature of Business

The Company was organized on June 30, 2000 as a Massachusetts limited liability company to conduct business as a registered broker-dealer under the Securities Exchange Act of 1934. As a limited liability company the members' liability is limited to their investment. It was formed for the purpose of acting as placement agent in the sale of private placement securities.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of 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.

### NOTE 2- NET CAPITAL

As a broker dealer, the Company is subject to the Securities and Exchange Commission's regulations and operating guidelines, which require the Company to maintain a specified amount of net capital as defined, and a ratio of aggregate indebtedness to net capital as derived, not exceeding 15 to 1. The Company's net capital as computed under Rule 15c3-1, was \$2,238,667 at September 30, 2006, which exceeded required net capital of \$5,000 by \$2,233,667. The ratio of aggregate indebtedness to net capital at September 30, 2006 was 1.5%.

### NOTE 3- INCOME TAXES

The Company has chosen to be treated as a partnership for federal and state income tax purposes. A partnership is not a taxpaying entity for federal or state income tax purposes. Accordingly, no income tax expense has been recorded in these statements. All income or losses will be reported on the individual members' income tax returns.

**NORTH BRIDGE CAPITAL, LLC**

**NOTES TO FINANCIAL STATEMENTS (Continued)**

**SEPTEMBER 30, 2006**

**NOTE 4- RELATED PARTY**

The majority member of North Bridge Capital, LLC is also the majority owner of an affiliate company, North Bridge Capital, Inc. The Company pays a management fee to this affiliated company in return for utilization of all office supplies, furniture and equipment, and its employees as well as the appropriate percentage of other overhead expenses. A total of \$3,371,000 was paid for the year ending September 30, 2006. No amount was due to or from this related party at September 30, 2006.

**NOTE 5- CONCENTRATION OF CREDIT RISK**

The Company has cash deposits in a financial institution in excess of the amount insured by the Federal Deposit Insurance Corporation (FDIC). The excess amount was \$133,233 at September 30, 2006.