

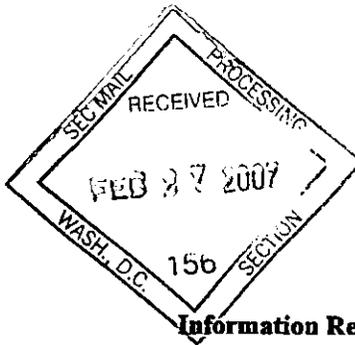


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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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

SEC FILE NUMBER  
8-53496

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 January 1, 2006 AND ENDING December 31, 2006  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: WynVale Financial Distributors LLC

OFFICIAL USE ONLY  
FIRM I.D. NO.

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

12 Old Mill Road

(No. and Street)

Stockton

New Jersey

08559-1218

(City)

(State)

(Zip Code)

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

Anthony S. Wiseman

908-996-6115

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Kreischer Miller

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

200 Gibraltar Road

Horsham

Pennsylvania

19044

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

PROCESSED

MAR 06 2007

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THOMSON  
FINANCIAL

\*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)

SEC 1410 (06-02)

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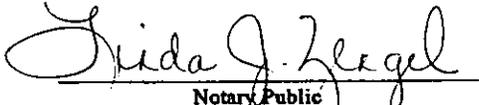
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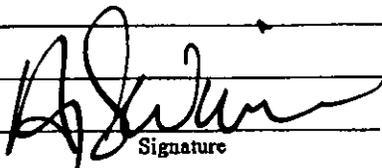
OATH OR AFFIRMATION

I, Anthony S. Wiseman, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of WynVale Financial Distributors LLC, as of December 31, 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:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LINDA J. ZENGEL  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires July 20, 2009

  
\_\_\_\_\_  
Notary Public

  
\_\_\_\_\_  
Signature  
Managing Member  
\_\_\_\_\_  
Title

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 15c3-1 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).

WYNVALE FINANCIAL DISTRIBUTORS LLC

December 31, 2006

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## Independent Auditors' Report

The Members  
WynVale Financial Distributors LLC  
Stockton, New Jersey

We have audited the accompanying statement of financial condition of WynVale Financial Distributors LLC as of December 31, 2006, and the related statements of operations, 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 WynVale Financial Distributors LLC'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 WynVale Financial Distributors LLC as of December 31, 2006 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 information on page 8 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.

*Kreischer Miller*

Horsham, Pennsylvania  
February 23, 2007

WYNVALE FINANCIAL DISTRIBUTORS LLC

Statement of Financial Condition  
December 31, 2006

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ASSETS

Cash	\$ 36,857
Short-term investments	6,280
Prepaid expenses	<u>2,835</u>
Total assets	<u>\$ 45,972</u>

LIABILITIES AND MEMBERS' EQUITY

Accounts payable and accrued expenses	\$ 494
Members' equity	<u>45,478</u>
Total liabilities and members' equity	<u>\$ 45,972</u>

See accompanying notes to financial statements.

# WYNVALE FINANCIAL DISTRIBUTORS LLC

## Statement of Operations Year Ended December 31, 2006

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Revenue:	
Placement fee income	\$ 164,609
Interest income	215
	<hr/>
Total revenue	164,824
	<hr/>
Expenses:	
Employee compensation	86,950
Professional fees	38,620
Registration fees and dues	4,434
Other expenses	16,648
	<hr/>
Total expenses	146,652
	<hr/>
Net income	\$ 18,172
	<hr/>

See accompanying notes to financial statements.

WYNVALE FINANCIAL DISTRIBUTORS LLC

Statement of Changes in Members' Equity  
Year Ended December 31, 2006

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Members' equity, beginning of year	\$ 15,107
Net income	18,172
Members' contributions	<u>12,199</u>
Members' equity, end of year	<u>\$ 45,478</u>

See accompanying notes to financial statements.

# WYNVALE FINANCIAL DISTRIBUTORS LLC

## Statement of Cash Flows Year Ended December 31, 2006

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Cash flows from operating activities:	
Net income	\$ 18,172
Adjustments to reconcile net income to net cash provided by operating activities:	
Increase in short-term investments	(215)
Decrease in prepaid expenses	281
Decrease in accounts payable and accrued expenses	<u>(6,596)</u>
Net cash provided by operating activities	11,642
Cash flows from financing activity:	
Members' contributions	<u>12,199</u>
Net increase in cash	23,841
Cash, beginning of year	<u>13,016</u>
Cash, end of year	<u>\$ 36,857</u>

See accompanying notes to financial statements.

# WYNVALE FINANCIAL DISTRIBUTORS LLC

## Notes to Financial Statements

December 31, 2006

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### (1) Organization and Nature of Business

WynVale Financial Distributors LLC (the Company) operates as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers (NASD). The Company wholesales mutual funds to other broker-dealers on a sales commission basis and engages in the solicitation and selling of private placements to institutional investors and accredited investors under rule 501(a) of Regulation D under the Securities Act of 1933.

### (2) Summary of Significant Accounting Policies

#### *Short-Term Investments*

The Company's short-term investments are comprised of a certificate of deposit with a nationally chartered bank. The certificate of deposit has a one-year term, is classified as available for sale and is carried at cost, which approximates fair market value.

#### *Revenue Recognition*

The Company recognizes revenues as earned. Commissions are recorded on a trade-date basis as securities transactions occur. Placement and other fees are recognized as income when the Company renders the related services.

#### *Income Taxes*

No provision for federal or state income taxes has been made since the Company is a pass-through limited liability company in conformity with the Internal Revenue Code.

#### *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

#### *Concentrations of Credit Risk*

Financial instruments that potentially expose the Company to concentrations of credit risk consist principally of cash and short-term investments. The Company maintains its cash and short-term investments in bank deposit accounts that, at times, may exceed federally insured limits.

# WYNVALE FINANCIAL DISTRIBUTORS LLC

Notes to Financial Statements  
December 31, 2006

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## (3) Net Capital and Other Requirements

The Company is subject to the Securities and Exchange Commission (SEC) Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined in Rule 15c3-1, shall not exceed 15 to 1. As of December 31, 2006, the Company had net capital of \$42,643, which was \$37,643 in excess of its required net capital of \$5,000.

The Company does not carry securities accounts for customers or perform custodial functions related to customer securities. This allows the Company to claim an exemption from SEC Rule 15c3-3 under subparagraph (k)(2)(i), which relates to the maintenance of special accounts for the exclusive benefit of customers.

## (4) Related Party Transactions

The Company has entered into an agreement with WynVale Financial Group LLC (WFG) to provide administrative services to the Company. WFG and the Company are owned by the same parties. Under the terms of the agreement, WFG will provide office facilities, communication and support services for \$355 per month. Payments will be made periodically by the Company. However, the obligation will be forgiven if payment of the obligation would cause the Company's net capital to fall below, or aggregate indebtedness to be above, the levels established by the SEC's regulations.

The placement fee income reported by the Company, totaling \$164,609, was earned under a contract that was assigned to the Company by WFG.

Employee compensation totaling \$86,950 was paid by the Company to its members during 2006 for services rendered to the Company.

## (5) Members' Equity

Members may not transfer any interest or rights in their members' equity without the written consent of the majority of all other members. In addition, if the members determine that additional capital is required to continue the operations of the Company, the members shall make additional capital contributions in proportion to their current equity. If a member does not make the required additional contribution, another member may make the contribution and be credited with the proportionate share of equity in accordance with the terms of the Company's operating agreement.

SUPPLEMENTARY INFORMATION

WYNVALE FINANCIAL DISTRIBUTORS LLC

Computation of Net Capital Under Rule 15c3-1 of the  
Securities and Exchange Commission  
December 31, 2006

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Net capital:

Total members' equity \$ 45,478

Deductions from and/or changes to member's equity:

Total nonallowable assets (2,835)

Net capital 42,643

Computation of basic net capital requirement:

Minimum net capital required 5,000

Net capital in excess of minimum requirement \$ 37,643

Net capital as reported on the Company's  
FOCUS report - Part IIA

\$ 42,643

Computation of aggregate indebtedness:

Aggregate indebtedness \$ 494

Percentage of aggregate indebtedness to net capital 1.2%

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

Since there are no differences between the net capital computation on Part IIA of the Company's Form X-17A-5 and the net capital computed above, a reconciliation is not necessary.

## Independent Auditors' Report on Internal Control Required by SEC Rule 17a-5

### The Members

WynVale Financial Distributors LLC  
Stockton, New Jersey

In planning and performing our audit of the financial statements of WynVale Financial Distributors LLC (the Company) as of and for the year ended December 31, 2006, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding securities. This study included 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 security 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 and recordation of differences required by Rule 17a-13.
2. 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.
3. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of any customer, as required by Rule 15c3-3.

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 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 internal control or the practices and procedures referred to above, errors or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is 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.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control and 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, as described in the second paragraph of this report, were adequate at December 31, 2006 to meet the SEC's objectives.

This report is intended solely for the information and use of the members, management, the SEC, the National Association of Securities Dealers, Inc., and other regulatory agencies which 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.

*Kreischer Miller*

Horsham, Pennsylvania  
February 23, 2007

*END*