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OMB Number:	3235-0123
Expires:	February 28, 2010
Estimated average burden hours per response.....	12.00

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9/5



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

SEC FILE NUMBER
8-26825

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 07/01/06 AND ENDING 06/30/07  
MM/DD/YY MM/DD/YY

## A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: COMMONWEALTH CHURCH FINANCE, INC.

OFFICIAL USE ONLY

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

FIRM I.D. NO.

677 JONESBORO ROAD

(No. and Street)

MC DONOUGH

GA

30253

(City)

(State)

(Zip Code)

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

A. DAVID TURNER

(678) 583-9760

(Area Code - Telephone Number)

## B. ACCOUNTANT IDENTIFICATION

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

JACK F GAMEL, PC

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

8218 DURALEE LANE

DOUGLASVILLE

GA

30134

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

**PROCESSED**

**SEP 06 2007**

**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)

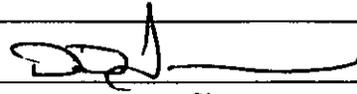
Handwritten initials/signature

Potential 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, A. DAVID TURNER, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of COMMONWEALTH CHURCH FINANCE, INC., as of JUNE 30, 2007, 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:

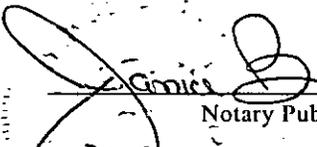
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Signature

PRESIDENT

Title

  
Notary Public, Spalding County, Georgia  
My Commission Expires Nov. 8, 2010

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).

# *Jack F. Gamel, P.C.*

Certified Public Accountants

*Jack F. Gamel, C.P.A.*  
*Lee Rende Smither, C.P.A.*

*8218 Duralee Lane*  
*Douglasville, Ga. 30134*  
*770-949-5150*  
*770-949-5855 (Fax)*

The Audit Committee  
Commonwealth Church Finance, Inc.  
677 Jonesboro Road  
McDonough, Georgia 30253

We have audited the accompanying focus report of Commonwealth Church Finance, Inc. as of June 30, 2007, which includes the statement of financial condition and the related statements of net capital, income, and changes in ownership equity for the year then ended. 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 generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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 Commonwealth Church Finance, Inc. as of June 30, 2007 and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

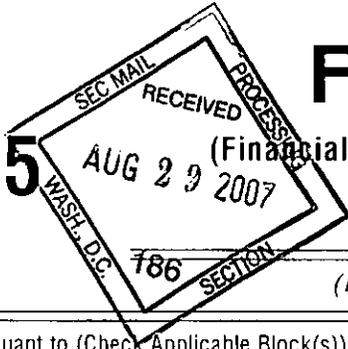
  
Jack F. Gamel, CPA, P.C.

August 23, 2007

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

OMB APPROVAL  
OMB Number: 3235-0123  
Expires: February 28, 2010  
Estimated average burden  
hours per response..... 12.00

Form  
X-17A-5



# FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

## PART IIA 12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a)  16

2) Rule 17a-5(b)  17

3) Rule 17a-11  18

4) Special request by designated examining authority  19

5) Other  26

NAME OF BROKER-DEALER

COMMONWEALTH CHURCH FINANCE, INC. 13

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

677 JONESBORO ROAD 20

(No. and Street)

MC DONOUGH 21

GEORGIA 22

30253 23

(City)

(State)

(Zip Code)

SEC FILE NO.

8-26825 14

FIRM I.D. NO.

58-1450538 15

FOR PERIOD BEGINNING (MM/DD/YY)

07/01/06 24

AND ENDING (MM/DD/YY)

06/30/07 25

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

A. DAVID TURNER 30

(Area Code) — Telephone No.

(678) 583-9760 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

34

35

36

37

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39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS? YES  40 NO  41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT  42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

Manual signatures of:

1) \_\_\_\_\_  
Principal Executive Officer or Managing Partner

2) \_\_\_\_\_  
Principal Financial Officer or Partner

3) \_\_\_\_\_  
Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

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# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

COMMONWEALTH CHURCH FINANCE, INC.

as of 06/30/07

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

<u>Liabilities</u>	<u>A.I. Liabilities</u>	<u>Non-A.I. Liabilities</u>	<u>Total</u>
13. Bank loans payable .....	\$ 1045	\$ 1255 <sup>13</sup>	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115 <sup>10</sup>	1305	1540
15. Payable to non-customers .....	1155	1355	1610
16. Securities sold not yet purchased, at market value .....		1360	1620
17. Accounts payable, accrued liabilities, expenses and other .....	269,570 <sup>1205</sup>	1385	269,570 <sup>1685</sup>
18. Notes and mortgages payable:			
A. Unsecured .....	1210		1690
B. Secured .....	1211 <sup>12</sup>	1390 <sup>14</sup>	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:			
1. from outsiders <sup>9</sup> \$ 970			
2. includes equity subordination (15c3-1(d)) of ... \$ 980			
B. Securities borrowings, at market value from outsiders \$ 990		1410	1720
C. Pursuant to secured demand note collateral agreements:			
1. from outsiders \$ 1000			
2. includes equity subordination (15c3-1(d)) of ... \$ 1010		1420	1730
D. Exchange memberships contributed for use of company, at market value .....		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes .....	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 269,570 <sup>1230</sup>	\$ 1450	\$ 269,570 <sup>1760</sup>
<u>Ownership Equity</u>			
21. Sole Proprietorship .....			1770 <sup>15</sup>
22. Partnership (limited partners) .....	1020 <sup>11</sup>		1780
23. Corporation:			
A. Preferred stock .....			1791
B. Common stock .....		21,000	1792
C. Additional paid-in capital .....		5,937	1793
D. Retained earnings .....		73,254	1794
E. Total .....		100,191	1795
F. Less capital stock in treasury .....			1796 <sup>15</sup>
24. TOTAL OWNERSHIP EQUITY .....			\$ 100,191 <sup>1800</sup>
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ 369,761 <sup>1810</sup>

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

COMMONWEALTH CHURCH FINANCE, INC.

as of 06/30/07

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	100,191		3480
2. Deduct ownership equity not allowable for Net Capital .....			19	3490
3. Total ownership equity qualified for Net Capital .....		100,191		3500
4. Add:				
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....				3520
B. Other (deductions) or allowable credits (List) .....				3525
5. Total capital and allowable subordinated liabilities .....	\$	100,191		3530
6. Deductions and/or charges:				
A. Total non-allowable assets from				
Statement of Financial Condition (Notes B and C) .....	17	\$ 77,227		3540
B. Secured demand note delinquency .....				3590
C. Commodity futures contracts and spot commodities – proprietary capital charges .....				3600
D. Other deductions and/or charges .....				3610
7. Other additions and/or allowable credits (List) .....			( 77,227 )	3620
8. Net capital before haircuts on securities positions .....	20	\$	0	3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):				
A. Contractual securities commitments .....	\$			3660
B. Subordinated securities borrowings .....				3670
C. Trading and investment securities:				
1. Exempted securities .....	1a			3735
2. Debt securities .....				3733
3. Options .....				3730
4. Other securities .....				3734
D. Undue Concentration .....				3650
E. Other (List) .....			( 0 )	3740
10. Net Capital .....	\$	22,964		3750

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

COMMONWEALTH CHURCH FINANCE, INC

as of 06/30/07

### COMPUTATION OF NET CAPITAL REQUIREMENT

**Part A**

11. Minimum net capital required (6 $\frac{2}{3}$ % of line 19) .....	\$	17,971	3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	5,000	3758
13. Net capital requirement (greater of line 11 or 12) .....	\$	17,971	3760
14. Excess net capital (line 10 less 13) .....	\$	4,993	3770
15. Excess net capital at 1000% (line 10 less 10% of line 19) .....	\$	(3,993)	3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition .....	\$	269,570	3790
17. Add:			
A. Drafts for immediate credit .....	\$	3800	
B. Market value of securities borrowed for which no equivalent value is paid or credited .....	\$	3810	
C. Other unrecorded amounts (List) .....	\$	3820	
18. Total aggregate indebtedness .....	\$	0	3830
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10) .....	%	269,570	3840
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d) .....	%	11.94	3850

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

**Part B**

21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$		3970
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$		3880
23. Net capital requirement (greater of line 21 or 22) .....	\$		3760
24. Excess capital (line 10 less 23) .....	\$		3910
25. Net capital in excess of the greater of:			
A. 5% of combined aggregate debit items or \$120,000 .....	\$		3920

**NOTES:**

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
  - 1. Minimum dollar net capital requirement, or
  - 2. 6 $\frac{2}{3}$ % of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER	COMMONWEALTH CHURCH FINANCE, INC.
------------------	-----------------------------------

For the period (MMDDYY) from 07/1/06 <sup>3932</sup> to 06/30/07 <sup>3933</sup>  
 Number of months included in this statement 12 <sup>3931</sup>

### STATEMENT OF INCOME (LOSS)

#### REVENUE

1. Commissions:			
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....	\$		3935
b. Commissions on listed option transactions .....	25		3938
c. All other securities commissions .....		1,320,189	3939
d. Total securities commissions .....			3940
2. Gains or losses on firm securities trading accounts			
a. From market making in options on a national securities exchange .....			3945
b. From all other trading .....			3949
c. Total gain (loss) .....			3950
3. Gains or losses on firm securities investment accounts .....			3952
4. Profit (loss) from underwriting and selling groups .....	26		3955
5. Revenue from sale of investment company shares .....			3970
6. Commodities revenue .....			3990
7. Fees for account supervision, investment advisory and administrative services .....		187,577	3975
8. Other revenue .....		1,137,215	3995
9. Total revenue .....	\$	2,644,981	4030

#### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers .....			
11. Other employee compensation and benefits .....		670,182	4120
12. Commissions paid to other broker-dealers .....		1,216,077	4115
13. Interest expense .....		53,831	4140
a. Includes interest on accounts subject to subordination agreements .....		0	4075
14. Regulatory fees and expenses .....		28,225	4195
15. Other expenses .....		742,083	4100
16. Total expenses .....	\$	2,710,398	4200

#### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....			
18. Provision for Federal income taxes (for parent only) .....	28	(65,417)	4210
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....		1,069	4220
a. After Federal income taxes of .....		(64,348)	4222
20. Extraordinary gains (losses) .....			4224
a. After Federal income taxes of .....		0	4224
21. Cumulative effect of changes in accounting principles .....		0	4225
22. Net income (loss) after Federal income taxes and extraordinary items .....	\$	(64,348)	4230

#### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....			
	\$	(26,798)	4211

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

COMMONWEALTH CHURCH FINANCE, INC.

For the period (MMDDYY) from 07/01/06 to 06/30/07

### STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .....	\$	164,539	4240
A. Net income (loss) .....		(64,348)	4250
B. Additions (Includes non-conforming capital of .....	\$	4262	4260
C. Deductions (Includes non-conforming capital of .....	\$	4272	4270
2. Balance, end of period (From item 1800) .....	\$	100,191	4290

### STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .....	\$		4300
A. Increases .....			4310
B. Decreases .....			4320
4. Balance, end of period (From item 3520) .....	\$		4330

OMIT PENNIES

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER **COMMONWEALTH CHURCH FINANCE, INC.**

as of 06/30/07

### EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- |   |       |      |
|---|-------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 .....   | _____ | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained .....  | X     | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis.<br>Name of clearing firm <sup>30</sup> _____ | _____ | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) .....  | _____ | 4580 |

### Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (See below for code)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
<sup>31</sup> 4600	4601	4602	4603	4604	4605
<sup>32</sup> 4610	4611	4612	4613	4614	4615
<sup>33</sup> 4620	4621	4622	4623	4624	4625
<sup>34</sup> 4630	4631	4632	4633	4634	4635
<sup>35</sup> 4640	4641	4642	4643	4644	4645
			<b>Total \$<sup>36</sup></b>		<b>4699</b>

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

<b>WITHDRAWAL CODE:</b>	<b>DESCRIPTIONS</b>
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

# Jack F. Gamel, P.C.

Certified Public Accountants

Jack F. Gamel, C.P.A.  
Lee Renee Smither, C.P.A.

8218 Duralee Lane  
Douglasville, Ga. 30134  
770-949-5150  
770-949-5855 (Fax)

COMMONWEALTH CHURCH FINANCE, INC.  
COMPUTATION OF NET CAPITAL  
AS OF JUNE 30, 2007  
Schedule to Form X-17A, Part III, Page 2(g)

Shareholder's Equity	\$ 100,191
Less:	
Net equipment	11,789
Accounts receivable	58,579
Other assets	<u>6,859</u>
	<u>77,227</u>
Net capital	22,964
Required capital	<u>17,971</u>
Excess net capital	<u>\$ 4,993</u>

  
Jack F. Gamel, CPA, P.C.

August 23, 2007

# Jack F. Gamel, P.C.

Certified Public Accountants

Jack F. Gamel, C.P.A.  
Lee Rente Smither, C.P.A.

8218 Duralee Lane  
Douglasville, Ga. 30134  
770-949-5150  
770-949-5855 (Fax)

COMMONWEALTH CHURCH FINANCE, INC.  
NON-ALLOWABLE ASSETS FOR NET CAPITAL COMPUTATION  
AS OF JUNE 30, 2007

Pursuant to Rule 17a-d(d) I offer the following list of non-allowable assets:

Cash on hand and deposits		\$ 2,792
Accrued income		58,579
Prepaid income taxes		4,067
Furniture and equipment	69,495	
Less: Accumulated depreciation	<u>57,706</u>	<u>11,789</u>
Total non-allowable assets		<u>\$ 77,227</u>

  
Jack F. Gamel, CPA, P.C.

August 23, 2007

# Jack F. Gamel, P.C.

Certified Public Accountants

Jack F. Gamel, C.P.A.  
Lee Rente Smither, C.P.A.

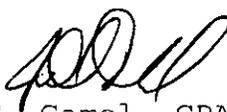
8218 Duralee Lane  
Douglasville, Ga. 30134  
770-949-5150  
770-949-5855 (Fax)

COMMONWEALTH CHURCH FINANCE, INC.  
RECONCILIATION OF AUDITED NET CAPITAL AND  
BROKER/DEALER UNAUDITED NET CAPITAL  
AS OF JUNE 30, 2007

Net capital, audited	<u>\$ 22,964</u>
Net capital, unaudited	<u>\$ 22,964</u>

Pursuant to the Securities and Exchange Commission Rule 17a-5(d)(1) I state the following:

No differences were found to exist between the audited computation of net capital and the broker/dealer's corresponding unaudited part IIA

  
Jack F. Gamel, CPA, P.C.

August 23, 2007

*Jack F. Gamel, P.C.*

Certified Public Accountants

*Jack F. Gamel, C.P.A.*  
*Lee Rente Smither, C.P.A.*

*8218 Duralee Lane*  
*Douglasville, Ga. 30134*  
*770-949-5150*  
*770-949-5855 (Fax)*

COMMONWEALTH CHURCH FINANCE, INC.  
MATERIAL INADEQUACIES  
AS OF JUNE 30, 2007

Pursuant to section 17 of the Securities Exchange Act of 1934  
and Rule 17a-5, Part III, Page 2(n):

No material inadequacies were found.

  
Jack F. Gamel, CPA, P.C.

August 23, 2007

# *Jack F. Gamel, P.C.*

Certified Public Accountants

*Jack F. Gamel, C.P.A.*  
*Lee Rente Smither, C.P.A.*

*8218 Duralee Lane*  
*Douglasville, Ga. 30134*  
*770-949-5150*  
*770-949-5855 (Fax)*

The Stockholders and Board of Directors  
Commonwealth Church Finance, Inc.  
677 Jonesboro Road  
McDonough, Georgia 30253

In planning and performing our audit of the financial statements of Commonwealth Church Finance, Inc. for the year ended June 30, 2007, we considered its internal control structure, including procedures for safeguarding securities, in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

Also, as required by Rule 17a-5(g)(I) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including test of compliance with such practices and procedures) followed by Commonwealth Church Finance, Inc. that we consider relevant to the objectives stated in Rule 17a-3(II). We did not review the practices and procedures followed by the company in making quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by Rule 17a-13 or in complying with the requirements for prompt payment for securities under Sec. 8 of Regulation R of the Board of Governors of the Federal Reserve System, because the company does not carry security accounts for customers or perform custodial functions relating to customer securities.

The management of the company is responsible for establishing and maintaining an internal control structure 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 internal control structure policies and procedures 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 Commission's above-mentioned objectives. Two of the objectives of an internal control structure 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 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 proceeding paragraph.

Because of inherent limitations in any internal control structure or the practices and procedures referred to above, errors or irregularities 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.

Our considerations of the internal control structure would not necessarily disclose matters in the internal control structure 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 the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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. No facts came to our attention which would indicate the company was not in compliance with its type k(2)(i) exemption from the requirements of SEC Rule 15c3-3. However, it should be noted that our examination was not directed toward obtaining knowledge of such noncompliance.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purpose 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 June 30, 2007, to meet the Commission's objectives.

This report is intended solely for the use of management, the Securities and Exchange Commission, 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, and should not be used for any other purpose.

  
Jack F. Gamel, CPA P.C.

**END**

August 23, 2007