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

SEC FILE NUMBER
8- 53508

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

SEC
MAD 5 1 2008

REPORT FOR THE PERIOD BEGINNING 01/01/07 AND ENDING 12/31/07
MM/DD/YY MM/DD/YY Washington, DC
104

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:

Indian Harbor, LLC

OFFICIAL USE ONLY
FIRM I.D. NO.

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

125 Greenwich Avenue

(No. and Street)

Greenwich

CT

06830

(City)

(State)

(Zip Code)

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

Stephen McMenamin

203-625-4530

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

McGladrey & Pullen, LLP

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

850 Canal Street, 4th Floor, Stamford

CT

06902

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

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

SECURITIES AND EXCHANGE COMMISSION
RECEIVED
MAR 31 2008
BRANCH OF REGISTRATIONS AND EXAMINATIONS
04

PROCESSED

APR 07 2008

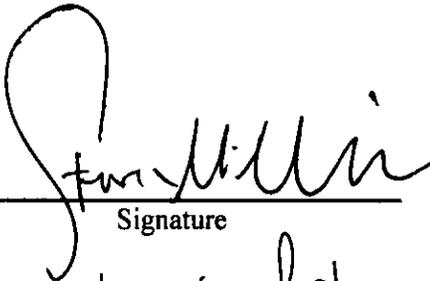
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FINANCIAL

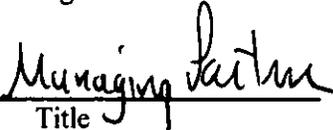
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* Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

OATH OR AFFIRMATION

I, **Stephen McMenam**, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of **Indian Harbor, LLC**, as of **December 31, 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.

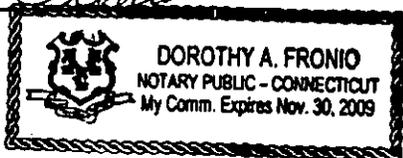


Signature


Title



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 Cash Flows.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietor's 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.
- (o) Independent Auditor's Report on Internal Control

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

McGladrey & Pullen

Certified Public Accountants

Indian Harbor, LLC

Statement of Financial Condition
December 31, 2007

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Members
Indian Harbor, LLC
Greenwich, Connecticut

We have audited the accompanying statement of financial condition of Indian Harbor, LLC as of December 31, 2007 that you are filing pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement 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 statement of financial condition is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of financial condition. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement of financial condition presentation. We believe that our audit of the statement of financial condition provides a reasonable basis for our opinion.

In our opinion, the statement of financial condition referred to above presents fairly, in all material respects, the financial position of Indian Harbor, LLC as of December 31, 2007, in conformity with accounting principles generally accepted in the United States of America.

McGladrey & Pullen, LLP

Stamford, Connecticut
March 27, 2008

Indian Harbor, LLC

Statement of Financial Condition
December 31, 2007

Assets	
Cash and cash equivalents	\$ 1,314,075
Fees receivable	12,065,649
Equipment, net of accumulated depreciation of \$49,513	55,083
Other assets	25,256
	<u>\$ 13,460,063</u>
Liabilities And Members' Equity	
Compensation payable to member	\$ 3,351,646
Accrued commissions payable	5,027,964
Other accrued expenses	85,089
Members' equity	4,995,364
	<u>\$ 13,460,063</u>

See Notes to Statement of Financial Condition.

Indian Harbor, LLC

Notes to Statement of Financial Condition

Note 1. Nature of Business and Significant Accounting Policies

Nature of business: Indian Harbor, LLC (the "Company") is a broker-dealer registered with the Securities and Exchange Commission, and is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The Company's revenue is primarily derived from placement fees associated with raising capital for private investment entities, and a share of continuing management and performance fees earned by the investment manager. The Company operates under the provisions of Paragraph (k)(2)(i) of rule 15c3-3 of the SEC and accordingly, is exempt from the remaining provisions of that rule including the requirement to make the reserve computations under rule 15c3-3.

A summary of the Company's significant accounting policies follows:

Cash equivalents: Cash equivalents include highly liquid investments which are readily convertible into cash.

Investments: Investments in non-marketable securities were carried at fair value as determined by management, with any change in the value reflected as gain in the statement of operations. These investments were distributed to the members as of December 31, 2007 (Note 3).

Income taxes: The Company is classified as a partnership for federal income tax purposes and, therefore, the financial statements do not include a provision for income tax.

Accounting estimates: The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumption 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.

Note 2. Concentrations

The Company's major client, an entity in which a member of the Company is also the managing member and majority owner, accounted for 96% of total revenues earned during 2007 and 100% of fees receivable as of December 31, 2007. Substantially all of the Company's cash and cash equivalents are held in uninsured money market mutual funds and at a major commercial bank. Management does not expect any losses to result with respect to any of these concentrations.

Note 3. Investments

Effective December 31, 2007 the Company distributed to its Members all of its investments in two hedge funds whose aggregate carrying value was \$3,002,761. The investments were carried at fair value as determined by the Company.

Note 4. Net Capital Requirements

The Company is subject to the SEC Uniform Net Capital Rule (Rule 15c3-1), which requires the maintenance of minimum net capital. The Company has elected to use the alternative method permitted by the rule, which requires that the Company maintain net capital, as defined, equal to \$250,000. Under certain circumstances, equity capital may not be withdrawn. At December 31, 2007, the Company had net capital of \$1,207,400, which is \$957,400 in excess of its required net capital of \$250,000.

Indian Harbor, LLC

Notes to Statement of Financial Condition

Note 5. Related Party Transactions

It is the Company's intent to relocate its offices during 2008 to a building owned by a related entity.

Note 6. Employee Benefit Plan

The Company maintains a defined contribution 401 (k) Retirement Savings and Profit Sharing Plan which covers substantially all eligible employees, wherein, employees may contribute a percentage of their compensation subject to Internal Revenue Code limits. The Company may make discretionary profit sharing contributions to the Plan.

END