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OMB Number: 3235-0123
Expires: October 31, 2004
Estimated average burden
hours per response..... 12.00

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

SEC FILE NUMBER
8-52557

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

FACING PAGE

REPORT FOR THE PERIOD BEGINNING 1/1/07 AND ENDING 12/31/07
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: North Woodward Financial Corp
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)
690 East Maple
Birmingham, MI 49009
(City) (State) (Zip Code)

OFFICIAL USE ONLY
FIRM I.D. NO.

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*
Russell D. Long CPA
(Name - if individual, state last, first, middle name)
(Address) (City) (State) (Zip Code)

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

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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)

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OATH OR AFFIRMATION

I, _____, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of _____, as of _____, 19____, 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

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 Changes in Financial Condition.
- (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.

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

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CHICAGO REGIONAL OFFICE

North Woodward Financial Corporation

Financial Statements

For the Years Ended December 31, 2006 and 2007

North Woodward Financial Corporation

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Russell D. Long, CPA, PC

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To the Director and Stockholder of
North Woodward Financial Corporation
Birmingham, MI

We have audited the accompanying balance sheet of North Woodward Financial Corporation as of December 31, 2007, and the related statement of operations, retained earnings, and cash flow 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 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 statement referred to above present fairly, in all material respects, the financial position of North Woodward Financial Corporation, as of December 31, 2007, and the results of its operations and its cash flow for the year then ended in conformity with generally accepted accounting principles.



Russell D. Long, CPA P.C.

Birmingham, Michigan
February 27, 2008

North Woodward Financial Corporation
Statement of Assets, Liabilities and Stockholders Equity
For the years ended December 31, 2006 and 2007

	2006	2007
ASSETS		
Current Assets		
Cash - Operating	\$ 3,167	\$ 2,287
Cash - Clearing Deposit	15,000	7,500
Accounts Receivable	\$ 5,715	\$ 12,677
Total Current Assets:	\$ 23,882	\$ 22,464
 Property and Equipment (Net)		
Equipment	\$ 500	\$ 500
Leasehold Improvements	500	588
Total Property and Equipment	\$ 1,000	\$ 1,088
TOTAL ASSETS	\$ 24,882	\$ 23,552
 LIABILITIES AND EQUITY		
Current Liabilities	\$ -	\$ -
Stockholder's Equity	24,882	23,552
TOTAL LIABILITIES AND EQUITY	\$ 24,882	\$ 23,552

See accountant's report and notes to financial statements.

North Woodward Financial Corporation
Statement of Income
For the periods ended December 31, 2006 and 2007

	2006	2007
Revenue		
Revenue	\$ 90,747	\$ 118,578
	\$ 90,747	\$ 118,578
Total Revenue:	\$ 90,747	\$ 118,578
Cost of Revenue:		
Cost of Revenue - Bus. Development/Benefits	\$ 6,546	\$ 3,869
Cost of Revenue - Outside Services	970	-
Cost of Revenue - Accounting Services	49,808	33,500
Cost of Revenue - Communications	1,268	607
Cost of Revenue - Office Supplies	819	375
Cost of Revenue - Professional Development	622	1,225
Cost of Revenue - Transportation/CE Travel	573	1,200
Cost of Revenue - NASD Regulation	836	6,500
Cost of Revenue - Software & Devlmt	1,622	-
	\$ 63,064	\$ 47,276
Total Cost of Revenue:	\$ 63,064	\$ 47,276
Operations Expense:		
Bank Charges	\$ 214	\$ 107
Legal Fees	595	20,020
Salaries & Wages	-	6,728
Taxes - Federal	-	2,920
Taxes State/Local	758	247
Rent and Utilities	19,169	17,054
Insurances	-	691
Dues, Subscriptions, Licenses	-	1,336
Repairs/Maintenance	2,235	3,844
Depreciation & Amortization	-	-
Miscellaneous	1,760	1,341
	\$ 24,731	\$ 54,289
Total Operations Expense	\$ 24,731	\$ 54,289
Net Income/(Loss):	\$ 2,952	\$ 17,013

North Woodward Financial Corporation
Statement of Retained Earnings
for the years ended December 31, 2006 and 2007

	2006	2007
Retained earnings beginning of year	\$ 21,930	\$ 24,882
Net income	\$ 2,952	\$ 17,014
Stockholder Distribution	\$ -	\$ (18,344)
Retained Earnings, End of Year	<u>\$ 24,882</u>	<u>\$ 23,552</u>

See accountant's report and notes to financial statements.

North Woodward Financial Corporation
Statement of Cash Flow
For the year ended December 31, 2007

Cash flows from operating activities:	
Net Income	\$ 17,013
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	
(Gain)/loss on disposal of property	
(Increase)/decrease in accounts receivable	(6,962)
Total adjustments:	\$ (6,962)
Net cash provided (used) by operating activities:	\$ 10,051
Cash flows from financing activities:	\$ (3,431)
Net increase (decrease) in cash and equivalents:	\$ 6,620
Cash and equivalents, beginning	\$ 3,167
Cash and equivalents, ending	\$ 9,787

North Woodward Financial Corporation
Statement of Net Capital
as of December 31, 2007

Net Worth:		\$	23,552
Total Ownership Equity:		\$	23,552
Less: Non-Allowable Assets	\$	1,000	
NET CAPITAL		\$	22,552
Net Capital Requirement		\$	5,000
Net Capital in excess of requirement:		<u>\$</u>	<u>17,552</u>

North Woodward Financial Corporation
Notes to Financial Statements
(See Accountant's Report)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The summary of significant accounting policies of North Woodward Financial Corporation (the company) is presented to assist in understanding the company's financial statements. The financial statements and notes are representations of the company's management, who is responsible for their integrity and objectivity. These policies conform to generally accepted accounting principles.

NATURE OF BUSINESS:

The company's primary business activity is the trading of securities as a broker-dealer.

RELATED BUSINESS ACTIVITIES:

The company is related to other business entities through common ownership. These financial statements do not include any other related business entities that are under common ownership.

METHODS OF ACCOUNTING:

Assets, liabilities, revenue and expenses are recognized on the accrual method of accounting for financial statement presentation and an income tax method (cash basis) for the State of Michigan and for United States federal income tax purposes.

COMPUTATION OF NET CAPITAL:

No material differences exist between prior (12/31/06) and current (12/31/07) net capital.

Russell D. Long, CPA, PC

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NASD Regulation
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Suite 900
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RE: Firm CRD No. 104097

The scope of the audit and review of the accounting system, the internal control and procedures for safeguarding securities was sufficient to provide reasonable assurance that any material inadequacies at the date of the examination in:

- A) the accounting system
- B) the internal controls
- C) procedures for safeguarding securities

would be disclosed.

My review of the accounting system, the internal controls and procedures for safeguarding securities, for the period since the prior examination date, revealed no material inadequacies.



Russell D. Long, CPA F.C.

Birmingham, Michigan
February 27, 2008

END